

**U.S. GENERAL SERVICES
ADMINISTRATION**



**FY 2009
CONGRESSIONAL
JUSTIFICATION**

U.S. General Services Administration

SUMMARY of the FY 2009 REQUEST

Fiscal Year 2009 Budget Request

CONTENTS

Summary of the Request.....	2
Federal Buildings Fund	2
Presidential Transition.....	4
GSA Operating Appropriations.....	4
Office of the Inspector General	5
GSA Mission and Goals.....	6
GSA Values	7
Budget and Performance Highlights	10
Program Assessment Rating Tool (PART)	14
Summary of Requested Appropriations Action	15
Summary Explanation of Changes (Full-Time Equivalents).....	16
Total Obligations by Object Classification.....	18
Explanation of Changes, Federal Buildings Fund.....	19
Explanation of Changes, GSA Operating Appropriations	20

Summary of the Request

The FY 2009 budget of the U.S. General Services Administration (GSA) requests \$481.6 million in discretionary budget authority, \$244 million more than the FY 2008 appropriated level (excluding the Office of the Inspector General). Within this aggregate level, \$300.2 million is requested as net budget authority for the Federal Buildings Fund, and \$172.9 million is requested for GSA's operating appropriations. An additional \$8.5 million is requested for the Presidential Transition appropriation, to ensure the orderly transfer of executive power following the November 2008 general election.

Summary of Discretionary Budget Authority

(Dollars in Thousands)

	FY 2007 Actual	FY 2008 Current	FY 2009 Request
Discretionary Budget Authority (BA):			
<i>Presidential Transition Appropriation</i>	\$ 0	\$ 0	\$ 8,520
<i>FBF Net Budget Authority</i>	-48,796	76,100	300,199
<i>Operating Appropriations</i>	159,110	161,567	172,881
GSA Discretionary BA Requested:	\$ 110,314	\$ 237,667	\$ 481,600
<i>Office of the Inspector General</i>	52,621	48,382	54,000
Total Discretionary BA:	\$ 162,935	\$ 286,049	\$ 535,600

Federal Buildings Fund

GSA requests \$8,377.6 million in New Obligational Authority (NOA) for the Federal Buildings Fund, an increase of \$232.4 million over the FY 2008 current rate. GSA requests an appropriation to the Fund of \$525 million to supplement anticipated revenues of \$8,134 million.

Federal Buildings Fund, Request for New Obligational Authority

(Dollars in Thousands)

	FY 2007 Actual	FY 2008 Current	FY 2009 Request
Construction & Acquisition of Facilities	\$ 648,302	\$ 531,448	\$ 620,119
Repairs and Alterations	623,232	722,161	692,374
Design and Construction Services	0	0	0
Installment Acquisition Payments	163,999	155,781	149,570
Rental of Space	4,355,486	4,630,315	4,692,156
Building Operations	2,030,427	2,105,490	2,223,354
Redemption of Debt	0	0	0
New Obligational Authority	\$ 7,821,446	\$ 8,145,195	\$ 8,377,573
<i>Net Budget Authority</i>	-48,796	76,100	300,199
FBF Appropriation	\$ 93,586	\$ 83,964	\$ 525,000

GSA's request for the Federal Buildings Fund would support a capital investment program of \$1.3 billion, including \$620 million for New Construction and Acquisition and \$692 million for Repairs and Alterations.

FY 2009 Capital Investment Program

(Dollars in Thousands)

CONSTRUCTION AND ACQUISITION Program (in priority order, dollars in thousands):

Executive Agencies:

Washington, DC, DHS Consolidation and Development of St. Elizabeths Campus.....	\$331,390
Washington, DC, St. Elizabeths West Campus Infrastructure.....	8,249
Washington, DC, St. Elizabeths West Campus Site Acquisition.....	7,000
San Ysidro, CA, Land Port of Entry.....	58,910
Montgomery County, MD, Food and Drug Administration Consolidation.....	78,532
Portal, ND, Land Port of Entry.....	15,204
Lakewood, CO, Denver Federal Center Remediation.....	<u>10,472</u>

Subtotal, Executive Agencies..... \$509,757

Federal Judiciary:

San Diego, CA, United States Courthouse Annex.....	<u>\$110,362</u>
--	------------------

Subtotal, Federal Judiciary..... \$110,362

New Obligational Authority, CONSTRUCTION AND ACQUISITION Program..... \$620,119

REPAIRS AND ALTERATIONS Program (in priority order, dollars in thousands):

Non-Prospectus (Basic) Repairs and Alterations Program..... \$350,000

Limited Scope Program:

Washington, DC, Eisenhower Executive Office Building – CBR.....	\$14,700
Washington, DC, West Wing Infrastructure Systems Replacement.....	<u>76,487</u>

Subtotal, Limited Scope Program..... \$91,187

Full Scope Repairs and Alterations:

Washington, DC, Eisenhower Executive Office Building – Phase III.....	51,075
Chicago, IL, Dirksen Courthouse.....	152,825
New Bern, NC, United States Post Office and Courthouse.....	<u>10,640</u>

Subtotal, Full Scope Repairs and Alterations Projects..... \$214,540

Energy and Water Retrofit and Conservation Measures..... \$36,647

New Obligational Authority, REPAIRS AND ALTERATIONS Program..... \$692,374

Presidential Transition

The FY 2009 request includes \$8.52 million for the Presidential Transition appropriation, to provide for the orderly transfer of Executive power resulting from the expiration of the term of office of the current President and the inauguration of a new President in the first quarter of FY 2009. This appropriation request includes \$5.3 million for the incoming administration and \$2.22 million for the outgoing administration, the maximum amount authorized by the Presidential Transition Effectiveness Act (P.L. 100-398). This request also includes \$1 million for costs related to the orientation of key appointees of the incoming President, as authorized by the Presidential Transition Act of 2000 (P.L. 106-293).

GSA Operating Appropriations

GSA requests \$172.9 million for our five operating appropriations, an increase of \$11.3 million over the FY 2008 appropriated level. In total, \$4.8 million of the requested increase would provide funds for the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and cost increases for inflation. The remaining \$6.6 million is requested to support critical initiatives of the agency and the Administration, which are detailed below.

Operating Appropriations, Request for New Budget Authority

(Dollars in Thousands)

	FY 2007 <u>Actual</u>	FY 2008 <u>Current</u>	FY 2009 <u>Request</u>
Governmentwide Policy	\$ 52,346	\$ 52,891	\$ 56,578
Operating Expenses	85,998	85,870	71,811
Federal Citizen Services Fund	14,874	17,328	36,558
Electronic Government Fund	2,970	3,000	5,000
Former Presidents	2,922	2,478	2,934
Budget Authority	\$ 159,110	\$ 161,567	\$ 172,881

NOTE: Operating Expenses reports annual appropriation only; FY 2007 includes \$2,823 thousand transferred in for the Civilian Board of Contract Appeals consolidation, IAW Sec. 847 of P.L. 109-163.

Realignment of Funds:

The FY 2009 budget requests the transfer of **35 FTE and \$18,282 thousand** out of the Operating Expenses appropriation and into the Federal Citizen Information Center (FCIC) Fund. GSA also requests that the FCIC Fund be re-named the "Federal Citizen Services Fund". The requested transfer would re-align funding for the USA.gov Technologies and Intergovernmental Solutions programs, and consolidate funding for all GSA citizen-facing programs into a single funding source. The proposed consolidation of funding will enable GSA to budget, control and report total program costs in a single Fund, and to more closely align costs with program performance measures. The new title requested for the Fund recognizes the consolidation and better represents GSA's role in delivering a wide range of transparent, citizen-centric and accessible services to citizens, businesses and other government entities.

Program Increases:

The FY 2009 budget requests \$6.6 million in program increases for GSA operating programs. Every increase above the Federal pay raise and inflation is designed to satisfy new government-wide responsibilities assigned to GSA and are driven by factors outside of the agency: \$1.2 million is requested to meet new continuity of operations responsibilities for the Executive Branch; \$419 thousand is requested on behalf of former Presidents; \$2.4 million is requested to meet growing demand for government-wide acquisition workforce training; and \$2 million is requested to provide electronic government solutions for new legislative requirements.

- GSA requests an increase of 9 FTE and \$1,207 thousand to the Operating Expenses appropriation, to provide critical resource to satisfy GSA's assigned role in Executive Branch emergency response and recovery activities.
- GSA requests an increase of \$419 thousand for Allowances and Office Staff for Former Presidents; \$366 thousand of this request provides for the commencement of benefits for President George W. Bush, beginning January 20, 2009.
- 3 FTE and \$2,363 thousand are requested for additional staffing and training support activities in the Governmentwide Policy appropriation. These funds would allow the Federal Acquisition Institute meet its statutory requirements under the Office of Federal Procurement Policy Act (41 USC 403 et seq.), to provide training for acquisition professionals in all Federal civilian agencies.
- \$2,000 thousand is requested for the Electronic Government Fund appropriation, to develop web-based reporting of Federal government expenditures, in accordance with the Federal Funding Accountability and Transparency Act of 2006 (P.L. 109-282).

Program Decreases:

The FY 2009 request includes over \$6 million in savings in the Operating Appropriations; however, most of these savings were applied to meet the FY 2008 appropriated level, which provided \$8 million less than the President's request for that year. GSA was able to operate within the FY 2008 appropriation largely by accelerating savings initiatives already planned for the FY 2009 request. The FY 2008 base budget used to formulate the FY 2009 request includes efficiency savings in the Governmentwide Policy, Operating Expenses, and Federal Citizen Services appropriations. These savings are discussed in greater detail in the following discussion of GSA Values.

Office of the Inspector General

The Office of the Inspector General (OIG) has requested 316 FTE and an appropriation of \$54 million. Consistent with the recommendations of the Senate Committee on Appropriations (published in S. Rpt. 110-129), GSA has transmitted the budget request of the OIG directly to the Office of Management and Budget (OMB), without any alteration, interference or delay. GSA has likewise transmitted the OMB passback and all related guidance directly to the OIG without alteration, interference or delay. The FY 2009 GSA Congressional Justification includes the OIG request exactly as settled between OMB and the OIG.

GSA Mission and Goals

The FY 2009 GSA budget requests the minimum necessary resources to fulfill our mission, in a manner consistent with our core values, while keeping pace with a rapidly changing external environment. Fiscal discipline, mission-focus and the core values of the agency are the backbone of this request. The FY 2009 request is the first budget submitted within the framework and under the direction of the 2007-2012 Strategic Plan of the U.S. General Services Administration, and should be considered an extension of that document.

The FY 2007-2012 GSA Strategic Plan established a new mission, new strategic goals and a re-affirmation of our core values. The Strategic Plan was formulated over a period of nearly a year, during which time agency leaders from across the country carefully studied customer needs, industry statistics and trends, and our own historical performance results. They challenged traditional assumptions and came up with new approaches to sustain our successes, address our weaknesses and achieve excellence in the business of government. This work and the resulting Plan renewed GSA's focus on leading the Federal government in acquisition services, asset management, business solutions and management policies.

GSA MISSION

The General Services Administration (GSA) leverages the buying power of the Federal government to acquire best value for taxpayers and our Federal customers. We exercise responsible asset management. We deliver superior workplaces, quality acquisition services, and expert business solutions. We develop innovative and effective management policies.

STRATEGIC GOALS

GSA's four new Strategic Goals govern how we fulfill our roles as stewards of Federal space and property; providers of quality workplaces; the primary source for value-based products, services and solutions; innovators in anticipating the Federal government's current and future needs; and providers of government information for citizens.

1. **Stewardship:** GSA will lead Federal agencies in the economical and efficient management of Federal assets by spearheading effective policy development and by the exemplary management of the buildings/workplaces, motor vehicles, and personal property provided by GSA.
2. **Superior Workplaces:** GSA will deliver and maintain productive workplaces consisting of office space, furnishings, technology, supplies, and related services.
3. **Best Value:** GSA will develop and deliver timely, accurate, and cost-effective acquisition services and business solutions.
4. **Innovation:** GSA will develop new and better ways of conducting business that result in more productive and effective Federal policies and administrative operations.

GSA Values

GSA is guided by core values that define the agency, set our strategic direction and guide the execution of our duties. **INTEGRITY, ACCOUNTABILITY and TRANSPARENCY in OPERATIONS**, and **EFFECTIVE LEADERSHIP and RESPONSIBLE DECISION-MAKING** are the driving principles of GSA and the foundation of the FY 2009 budget request.

Integrity is the cornerstone on which all GSA business is built. GSA is committed to ensuring that we are a trustworthy partner in all business processes, including the budget request.

The FY 2009 request is an honest budget. Requested program increases represent the minimum resources necessary to achieve GSA's mission and goals. The FY 2009 request is based on a more in-depth review of program performance and operating needs than previous requests.

- The FY 2009 request returns \$2.3 million appropriated for the Indian Trust Accounting Division in the Operating Expenses appropriation. This program was closed in FY 2006 when the client, the Department of Justice, selected a competing service provider. These savings were reduced from the FY 2008 base budget to meet the appropriated level.
- The FY 2008 base budget used to formulate the FY 2009 request reduces \$941 thousand from the Office of Citizen Services and Communications in the Operating Expenses appropriation. These funds represent savings planned for FY 2009 that were accelerated to meet the FY 2008 appropriated level.
- The FY 2009 request includes \$2 million in efficiency savings in the Office of Governmentwide Policy. This organization conducted a thorough review of its base budget has more efficiently and effectively managed its expenditures. Savings of \$1.9 million were reduced from the FY 2008 base budget to meet the appropriated level; an additional \$100 thousand is offered in the FY 2009 request.
- The FY 2009 request includes \$6.2 million in savings from improving the management of Information Technology (IT). New obligational authority requested in FY 2009 for Building Operations in the Federal Buildings Fund includes \$2.2 million in savings from transitioning information systems out of development and into operations and maintenance. The FY 2008 estimated results of operations for the Acquisition Services Fund includes \$1 million in savings for the consolidation and retirement of redundant or obsolete systems; the FY 2009 budget anticipates an additional \$3 million in permanent cost savings.

Accountability and Transparency in Operations is integral to the success of GSA. The FY 2009 request openly demonstrates this commitment to our Federal customers, industry partners, stakeholders and the American taxpayers.

The FY 2009 request includes a number of realignments of funds across GSA accounts. These realignments are designed to increase accountability by more closely aligning resources with the organizations responsible for program delivery. These realignments improve transparency of operations by consolidating program funds, allowing for a clearer alignment of operational costs with program performance.

- The FY 2009 budget requests the transfer of 35 FTE and \$18.2 million out of the Operating Expenses appropriation and into the Federal Citizens Information Center Fund. This transfer would consolidate funding for all GSA citizen-centric programs. This transfer would allow GSA to better account for program performance and funding associated with service delivery of citizen interfaces. The consolidation of multiple programs into a single funding source makes it appropriate for GSA to re-name the Federal Citizens Information Center Fund as the Federal Citizen Services Fund.
- The FY 2009 request includes the FY 2008 transfer of 11 FTE and \$0 out of the GSA Working Capital Fund and into the Governmentwide Policy appropriation. The FTE in question provide dedicated contract management and business support for information systems operated exclusively by the Office of Governmentwide Policy (OGP), on behalf of all Federal agencies. These FTE are currently funded by OGP, through payments to the GSA Working Capital Fund: This transfer has no impact on funding in the Governmentwide Policy appropriation.
- The FY 2009 request includes the FY 2008 transfer of 149 FTE and \$80 million into the GSA Working Capital Fund to reflect the consolidation of enterprise-wide IT infrastructure operations. This transfer establishes the new Enterprise Infrastructure Operations (EIO) organization within the GSA Office of the Chief Information Officer, and is designed to improve efficiency and effectiveness of GSA IT expenditures by consolidating equipment purchases, centralizing infrastructure management, and applying uniform processes and standards to GSA's IT infrastructure.

Effective Leadership and Responsible Decision-Making is essential for implementing and sustaining organizational initiatives. GSA leaders and management officials are responsible for formulating and executing budgets that are realistic, fiscally disciplined, and tied to organizational performance.

The FY 2009 request is a budget of financial solvency and balance. This request represents a balance between customer priorities and GSA's internal priorities. The fiscal discipline inherent in this request means more than simply limiting growth: GSA has aligned funding within the requested level to address competing priorities in the most effective and efficient manner possible.

- The FY 2009 request for the Federal Buildings Fund includes a capital investment program of \$1.3 billion, which reflects a balance between the immediate mission requirements and long-term needs of our customers and GSA. The budget addresses the growing importance of security at our nation's borders by requesting funding for two land ports of entry (\$74 million). The request includes funding for the consolidation the Department of Homeland Security at St. Elizabeths (\$347 million) and the Food and Drug Administration in Montgomery County, MD (\$78.5 million). The request includes funding for the San Diego Courthouse (\$110 million). This request also includes \$10 million for the Denver Federal Center in Lakewood, CO.

Reinvestment in the existing inventory remains GSA's highest priority within the capital program. It is important to note that this request includes an increase to the basic Repairs and Alterations program, which funds a wide variety of activities designed to ensure the appropriate condition of mission-critical space.

- The FY 2009 request for the Acquisition Services Fund includes revised estimates of the FY 2008 operating level. The revised FY 2008 estimates re-build planned spending from FY 2007 actual performance, re-prioritize program increases, and directly address recognized weaknesses to provide a better and more fiscally sound base for FY 2009. The most critical change to the FY 2008 budget is the return of financial solvency to the Assisted Acquisition Service portfolio. The FY 2008 estimates included here reverse the losses projected in the FY 2008 President's Budget, to post positive net operating results in this portfolio. GSA has made the difficult but responsible decisions necessary to return to break-even without reductions-in-force or substantial restructuring.

In FY 2008, GSA will reduce the Assisted Acquisition Service (AAS) portfolio by 250 FTE, through attrition, organizational reassignments within the Federal Acquisition Service (FAS) and voluntary reassignment into vacancies across GSA. GSA will implement the recommendations of three separate FY 2007 Program Assessment Rating Tool (PART) reviews and integrate them into plans to refine the FAS organizational design and optimize business processes. FAS has already implemented a national pricing policy to standardize fee calculations and ensure full cost recovery at the local level. GSA is taking aggressive action to reduce operating costs, return to break-even and restore customer confidence in the AAS portfolio.

Budget and Performance Highlights

The FY 2009 GSA budget requests a limited increase over the FY 2008 appropriated level, and a measured increase in the capital investment program. The budget offers reductions to the base budget to partially offset requested increases. GSA program areas have identified savings where possible and have leveraged existing resources to address near-term challenges. The limited number of program increases resulting from this process represent the minimum resources necessary to deliver the GSA mission and realize our strategic goals in FY 2009.

GSA GOAL#1: STEWARDSHIP. *GSA will lead Federal agencies in the economical and efficient management of Federal assets by spearheading effective policy development and by the exemplary management of the buildings/workplaces, motor vehicles and personal property provided by GSA.*

The FY 2009 budget requests a net increase of \$4.3 million for IT investments in the Federal Buildings Fund. These investments support the President's Management Agenda (PMA) goals for Real Property Asset Management by improving monitoring and data analysis of asset utilization, condition and operating costs. This request aligns with two key strategies for Real Property Stewardship listed in the FY 2007-2012 GSA Strategic Plan:

- *Ensure costs for operations and maintenance remain at the appropriate level.*
- *Provide direction for reducing energy costs and consumption.*
 - The FY 2009 budget requests \$4.2 million to fund the Building Performance Improvement Program. This program would combine energy audits and retro-commissioning studies to provide a comprehensive review of all aspects of physical performance and tenant satisfaction in GSA-owned buildings. This program would review 200 buildings per year for the next five years, nearly doubling the current rate of smaller-scope energy audits, and generating an estimated 5% reduction in energy consumption per building.

The FY 2009 budget request for the Acquisition Services Fund includes revised estimates of the FY 2008 operating level. The revised program increases in the new estimates support the goal of Stewardship by managing the GSA Fleet with greater efficiency and effectiveness. The FY 2008 budget directs up to 21 FTE and \$2.8 million to maintain high standards of performance in GSA's key strategies for Motor Vehicle Stewardship:

- *Provide total motor vehicle management services to customer agencies.*
 - \$780 thousand is provided for enhancements to the Fleet Management System, to allow for improved tracking of fuel consumption and use of alternative fuels for all GSA-leased vehicles. These enhancements will allow GSA Fleet to comply with Executive Order 13423, which mandates reductions in the use of petroleum and requires reporting of alternative fuel consumption by vehicle tag number. This initiative will automate manual processes and increase the number of vehicles managed per GSA Fleet FTE.
 - \$2 million would fund 21 FTE in the GSA Fleet program, to replace attrition and accommodate increases in the size of the fleet. Supported by enhancements to the Fleet Management System, this initiative would allow GSA Fleet to maintain high standards for customer service while delivering increased efficiency, managing 354

vehicles per FTE, well ahead of the FY 2008 target of 345. Vacancies will be filled by reassignments out of the Assisted Acquisition Service (AAS) to the maximum possible extent, and will increase the Fund in total by an amount less than 21 FTE above FY 2007 actuals.

GSA is an effective steward of funds provided to the Agency to manage on behalf of others.

- The FY 2009 budget requests \$8.5 million for the Presidential Transition Fund, to finance the transition of Executive power resulting from the expiration of the term of office of the current President and the inauguration of a new President in FY 2009. This request represents the maximum amount allowed under the Presidential Transition Act of 2000, including inflationary adjustments.
- The FY 2009 request includes a net increase of \$419 thousand above pay raise and inflation for the funds GSA manages on behalf of Former Presidents of the United States. This includes \$366 thousand for the commencement of benefits for President GW Bush, beginning on January 20, 2009. Additional funds are requested for rent increases for Former President Clinton (\$28 thousand) and IT consultants for Former President GH Bush (\$25 thousand).
- The FY 2009 budget requests an increase of \$150 thousand to the Operating Expenses appropriation for the Public Employees Roundtable. This request would provide permanent funding for a program that is supported by both the Executive and Legislative branches.

GSA GOAL #2: SUPERIOR WORKPLACES. *GSA will deliver and maintain productive workplaces consisting of office space, furnishings, technology, supplies and related services.*

The FY 2009 budget requests a net increase of \$4.8 million to enhance customer requirements management and ensure future delivery of superior workplaces in the Federal Buildings Fund. This request aligns with key Real Property strategies for Superior Workplaces listed in the GSA Strategic Plan:

- *Our National Accounts Program ensures that a customer's viewpoint regarding his or her real property needs is heard.*
 - The FY 2009 budget requests \$4.8 million for the eAccount / eCustomer information system. This investment supports superior workplaces by bringing increased automation to the National Accounts Program. This investment would improve government-wide management of real property assets by providing our Federal tenants with dynamic, real-time access to their accounts and the information necessary to manage their needs. Improvements in the quality of data available would improve the effectiveness of customer contacts, which would reduce the number of contacts and reduce space management costs for both GSA and our customers.

GSA GOAL #3: BEST VALUE. *GSA will develop and deliver timely, accurate and cost-effective acquisition services and business solutions.*

The entire portfolio of goods and services provided through the Acquisition Services Fund supports the Best Value strategic goal, as all GSA acquisition programs continue to focus on delivering timely and cost-effective solutions to customers. The revised FY 2008 budget directs up to 80 FTE and \$15 million above FY 2007 expenditures towards ensuring that GSA delivers on our Acquisition and Global Customer Support strategies for providing Best Value to our customers:

- *Adapt business models, programs and relationships to achieve clarity and consistency in acquisition and business solutions.*
 - \$10.5 million is included to provide up to 70 FTE above FY 2007 operating levels to improve cycle times and quality in IT Multiple Award Schedules (MAS). Staffing increases are expected to reduce cycle time by 30 days and deliver increases in quality necessary to satisfy recommendations of a recent Inspector General audit. Existing AAS staff will be realigned to fill vacancies to the greatest possible extent, and may allow for as much as 80% of vacancies to be filled within FY 2007 base resources.
 - In FY 2008, GSA will commission a blue-ribbon panel to conduct a comprehensive study of Multiple Award Schedule pricing. This study will determine the competitiveness of Schedule list prices and demonstrate the credibility and value of the program. This effort will provide baseline criteria to establish efficiency measures for the program and track future performance.
- *Align GSA business processes with new Department of Defense Supply Strategies.*
 - \$3 million is provided for enhancements to GSA's requisition processing system (FSS-19) to maintain compatibility and interoperability with the Defense Logistics Management System. The Department of Defense (DoD) is modernizing its logistics and requisition systems: Since DoD business represents nearly 80% of GSA's Global Supply sales, it is imperative that GSA adapt to meet evolving needs of our largest customer in this business line.
 - 10 FTE and \$1.5 million to build a staff of dedicated subject-matter experts in Marine Corps logistics, product needs and sourcing strategies. "Marine Corps Fourth Party Logistics" would transform GSA business models and expand business with DoD. This pilot project could generate \$24 million in new business in FY 2008 and as much as \$40 million in FY 2009.
- *Deliver unified disaster response and recovery solutions.*
 - The FY 2009 budget requests 9 FTE and \$1.2 million for the Office of Emergency Response and Recovery, in the Operating Expenses appropriation. These funds would provide appropriate staffing to meet new, government-wide responsibilities assigned to GSA in the recently-approved National Continuity Policy Implementation Plan (NCP/IP). NCP/IP requires that GSA coordinate Executive branch continuity facilities and infrastructure requirements, including establishing a database of all alternative facilities and maintaining a centralized procurement system for all infrastructure requirements. National Communications System Directive 3-10, recently released by the Office of Science and Technology Policy, establishes additional responsibilities for GSA in the procurement of secure and interoperable communications equipment.

GSA GOAL #4: INNOVATION. *GSA will develop new and better ways of conducting business that result in more productive and effective Federal policies and administrative operations.*

The FY 2009 request includes several new initiatives in a variety of funding sources to deliver innovative, government-wide solutions to new and emerging challenges.

- *GSA will develop innovative management practices and information resources that improve management of assets and administrative services, including emergency services, across all government agencies.*
 - 9 FTE and \$2.1 million is provided in the Acquisition Services Fund to ensure successful transition of the SmartPay 2 contract. The SmartPay contract manages purchase cards for all Federal employees, and the contract renewal will require the re-issuance of over 3 million credit cards. Funding provided includes the costs of a new data warehouse that will improve GSA's ability to detect fraud, waste and abuse through government purchase cards.
 - \$700 thousand is included in the Acquisition Services Fund for enhancements to the Travel Management Information Service (TMIS). These enhancements will allow for the capture of greater detail on the travel and lodging expenditures of Federal employees. This capability will facilitate strategic sourcing, ensure compliance with Federal travel regulations and improve management of travel funds at customer agencies.
- *Continue to identify, promote and promulgate best practices and facilitate their use across the Federal government.*
 - The FY 2009 budget requests 3 FTE and \$363 thousand for the Federal Acquisition Institute (FAI), which is housed in the Office of the Chief Acquisition Officer and funded by the Governmentwide Policy appropriation. These funds would provide additional staff to address several of the requirements established in the Services Acquisition Reform Act of 2003 and delegated to GSA through Office of Federal Procurement Policy (OFPP) Policy Memorandum 05-01, "Developing and Managing the Acquisition Workforce".
- *Comply with new policies for personal identification and put in place contract vehicles to enable other agencies to also comply.*
 - \$5.6 million is provided in the Acquisition Services Fund to deliver security and identity management solutions to Federal agencies. Funds provided would allow GSA to establish contracts and program management necessary to lead the government in implementing electronic authentication technology and satisfying the requirement of Homeland Security Presidential Directive 12 (HSPD-12). Funding would ensure that all Federal agencies satisfy security and privacy standards using standard and interoperable equipment and technology.
 - The FY 2009 budget requests \$4.3 million for the Federal Buildings Fund, to ensure continued compliance with HSPD-12 physical access controls. Funds provided would allow for the replacement of the estimated 75 currently-deployed physical access control systems that will be non-repairable or functionally obsolete in FY 2009. This initiative would ensure appropriate credentialing of all Federal and contract employees gaining access to GSA facilities, consistent with the directives of Homeland Security Presidential Directive 12 (HSPD-12).

Program Assessment Rating Tool (PART)

GSA's FY 2009 budget request addresses the various recommendations prescribed through Program Assessment and Rating Tool (PART) performance evaluations conducted in FY 2007 and previous years. PART reviews are the method used by GSA and the Office of Management and Budget (OMB) to evaluate the management and performance of programs.

PART reviews consist of 25 to 30 questions, grouped into four categories: Program Purpose and Design, Strategic Planning, Program Management, and Program Results. Each question is assigned a numerical rating that results in a total weighted average ranging from 0-100. Based on the scores, OMB assigns a summary rating to each program. These ratings range from *Effective* (the highest), to *Moderately Effective*, *Adequate* or *Ineffective* (the lowest); in addition, the rating of *Results Not Demonstrated (RND)* means that the measures developed by the program managers are not adequate to determine its effectiveness. To receive a rating other than RND, a program must have a least one Long-Term Outcome Goal (LTOG) and one measure of efficiency.

The FY 2007 PART assessment included a review of four GSA programs: Integrated Technology Services (ITS) Portfolio, Assisted Acquisition Services (AAS) Portfolio, Asset Management Owned Real Property, and General Supplies and Services (GS&S) Portfolio.

The results for each of the PARTed programs are as follows:

- Integrated Technology Services - *Moderately Effective*. Improvement plans include regular independent evaluations to assess the effectiveness of the program.
- Assisted Acquisition Services - *Adequate*. Improvement plans provide for increasing efficiency and effectiveness by eliminating design flaws and implementing nationwide standards.
- Asset Management - Owned Real Property - *Effective*. Improvement plans include decreasing operating costs, identifying core assets for targeting reinvestment, and coordinating activities to share best practices across the Federal community and with the private sector.
- General Supplies and Services - *Adequate*. Improvement plans include continuing to review performance goals and organization measures, adjusting strategies, and implementing new tactics.

In a continuing effort to improve program results and ratings, GSA has developed LTOGs, aggressive performance targets, and efficiency measures for each of our programs. As a result, all GSA programs have received a rating of *Adequate* or higher, with four programs receiving the highest rating of *Effective*. Eight programs have been rated *Moderately Effective* and four programs have been rated *Adequate*.

With emphasis being placed on linking budget to performance, GSA has been able to determine through the PART process if the performance measures are appropriately measuring the desired outcomes. GSA has developed PART improvement plans for each PARTed program. The plans detail specific action items, with milestones and target completion dates that each program will take in response to the PART recommendations. The FY 2008 PART process will include a review of the following programs: Real Property Disposal, Real Property Leasing, Vehicle Acquisition and Vehicle Leasing programs. Programs to be reviewed in FY 2009: Office of Governmentwide Policy, Construction, and Personal Property Management.

Summary of Requested Appropriations Action

(Dollars in Thousands)

	FY 2007 Actual	FY 2008 Current	FY 2009 Request
Presidential Transition Appropriation	\$ 0	\$ 0	\$ 8,520
<i>Federal Buildings Fund (FBF), New Obligational Authority:</i>			
Construction & Acquisition of Facilities	\$ 648,302	\$ 531,448	\$ 620,119
Repairs and Alterations	623,232	722,161	692,374
Installment Acquisition Payments	163,999	155,781	149,570
Rental of Space	4,355,486	4,630,315	4,692,156
Building Operations	2,030,427	2,105,490	2,223,354
Subtotal, New Obligational Authority	\$ 7,821,446	\$ 8,145,195	\$ 8,377,573
<i>FBF Net Budget Authority</i>	<i>-48,796</i>	<i>76,100</i>	<i>300,199</i>
FBF Appropriation	\$ 93,586	\$ 83,964	\$ 525,000
<i>Operating Appropriations, Budget Authority:</i>			
Governmentwide Policy	\$ 52,346	\$ 52,891	\$ 56,578
Operating Expenses	85,998	85,870	71,811
Federal Citizen Services Fund	14,874	17,328	36,558
Electronic Government Fund	2,970	3,000	5,000
Former Presidents	2,922	2,478	2,934
Subtotal, Operating Appropriations	\$ 159,110	\$ 161,567	\$ 172,881
Office of the Inspector General	\$ 52,621	\$ 48,382	\$ 54,000
TOTAL, BA and NOA	\$ 8,033,177	\$ 8,355,144	\$ 8,612,974
Discretionary Budget Authority (BA):			
<i>Presidential Transition Appropriation</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 8,520</i>
<i>FBF Net Budget Authority</i>	<i>-48,796</i>	<i>76,100</i>	<i>300,199</i>
<i>Operating Appropriations</i>	<i>159,110</i>	<i>161,567</i>	<i>172,881</i>
Discretionary BA Requested	\$110,314	\$237,667	\$481,600
<i>Office of the Inspector General</i>	<i>52,621</i>	<i>48,382</i>	<i>54,000</i>
Total, Discretionary BA	\$ 162,935	\$ 286,049	\$ 535,600
FULL-TIME EQUIVALENTS (FTE)	11,634	11,690	11,646
<i>Office of the Inspector General</i>	<i>297</i>	<i>316</i>	<i>316</i>
Total, Full-Time Equivalents	11,931	12,006	11,962

NOTES:

1. FY 2007 actual Federal Buildings Fund New Obligational Authority includes the transfer of \$57.125 million to the Department of the Navy, per P.L. 110-5, and \$323.483 million of Indefinite Authority.
2. FY 2008 current estimates of FBF NOA include \$314.781 million in Indefinite Authority.
3. FY 2008 current FTE estimate is 314 FTE below the FY 2008 Appropriated amount of 12,320.

Summary Explanation of Changes (Full-Time Equivalents)

(Dollars in Thousands)

	Full-Time Equivalents	Discretionary Budget Authority
FY 2008 Congressional Justification	12,320.0	\$8,307,928
<i>FY 2008 Base Adjustments:</i>		
FBF Transfer out of IT Infrastructure Support to WCF	(67.0)	0
FBF FY 2008 Indefinite Authority for Leased Expansion Space	0.0	314,781
FBF Reduce Rental of Space Program to Appropriated Level	0.0	(67,466)
FBF Reduce Building Operations to Appropriated Level	0.0	(26,960)
FBF Reduce Capital Program to Appropriated Level	0.0	(166,078)
OGP Transfer in of e-Gov IT Infrastructure Support from WCF	11.0	0
OGP Efficiency Savings	0.0	(1,900)
OE FTE True-up in CBCA	(7.0)	0
OE Program Reduction	0.0	(464)
OE Transfer out of Web Services to WCF	0.0	(941)
OE Close-Out of ITADS	0.0	(2,272)
OIG Appropriation above FY 2008 Request	0.0	1,000
OIG FTE increase	7.0	0
FCS Program Reduction	0.0	(462)
EG Reduce e-Gov Request to Appropriated Level	0.0	(2,000)
FP Allowance of the Widow of Former President Johnson	0.0	(22)
ASF Transfer out of Acquisition Policy Staff to WCF	(8.0)	0
ASF Transfer out of IT Infrastructure Support to WCF	(56.0)	0
ASF FTE reduction to reflect new staffing pattern	(243.0)	0
WCF Transfer in for IT Infrastructure Support	149.0	0
WCF Transfer in Acquisition Policy Staff	8.0	0
WCF Transfer out of e-Gov IT Infrastructure Support	(11.0)	0
WCF Reduction for Unfunded FTE	(17.0)	0
WCF FTE reduction to reflect new staffing pattern	<u>(80.0)</u>	<u>0</u>
Total, Base Adjustments	(314.0)	\$47,216
FY 2008 Appropriation	12,006.0	\$8,355,144
<i>Maintaining Current Levels</i>		
Annualization of the FY 2008 Pay Raise (3%)	0.0	5,494
FY 2009 Pay Raise (3%)	0.0	16,185
Benefits for Former Presidents	0.0	12
Non-Pay Inflation	0.0	45,503
Building Services in New Space	<u>0.0</u>	<u>18,019</u>
Total, Maintaining Current Levels	0.0	\$85,213

PT: Presidential Transition Fund
 FBF: Federal Buildings Fund

OGP: Office of Governmentwide Policy
 OE: Operating Expenses

OIG: Office of the Inspector General
 FCS: Federal Citizen Services Fund

U.S. General Services Administration
Summary of the FY 2009 Request

	Full-Time Equivalents	Discretionary Budget Authority
Program Decreases:		
FBF Decrease for IT Projects Transitioning to Maintenance	0.0	(2,230)
FBF Decrease in Capitalized Interest Payments	0.0	(6,211)
FBF Decrease to New Construction for the Judiciary	0.0	(14,430)
FBF Decrease to Repairs and Alterations Program	0.0	(29,787)
OGP Efficiency Savings	0.0	(100)
OE Reduction for Unfunded FTE	(34.0)	0
FP Reduction in Former President Carter Goods & Services	0.0	(4)
ASF FTE reduction to reflect new staffing pattern	<u>(30.0)</u>	<u>0</u>
Total, Program Decreases	(64.0)	(\$52,762)
Program Increases:		
PT Funding for FY 2009 Presidential Transition Team	0.0	8,520
FBF Increase to New Construction for Executive Agencies	0.0	103,101
FBF Net Change in Rental of Space Requirements	0.0	61,841
FBF Security Charges from Homeland Security for Vacant Space	0.0	26,960
FBF eAccount / eCustomer	0.0	4,850
FBF Physical Access Control Systems for HSPD-12 Compliance	0.0	4,278
FBF Building Performance Improvement Program	0.0	4,188
OGP Federal Acquisition Institute Training Support	0.0	2,000
OGP Federal Acquisition Institute Staffing	3.0	363
OE Office of Emergency Response & Recovery FTE	9.0	1,207
OE Public Employees Roundtable	0.0	150
OIG Funding to Support Previously-Approved Staffing Increases	0.0	4,770
OIG E-Mail System Upgrades and Modifications	0.0	270
FCS Enhanced Services to Citizens	0.0	462
FP Nine Months of Benefits for President GW Bush	0.0	366
FP Rent Increase for Former President Clinton	0.0	28
FP IT Consultants for Former President HW Bush	0.0	25
EG Support FFATA Reporting Requirements	0.0	2,000
WCF Office of Emergency Response & Recovery FTE	<u>8.0</u>	<u>0</u>
Total, Program Increases	20.0	\$225,379
Transfers:		
OE Transfer out of USA.gov IT Infrastructure to FCS	(35.0)	(18,282)
FCS Transfer in of USA.gov IT Infrastructure	<u>35.0</u>	<u>18,282</u>
Total, Transfers	0.0	\$0
TOTAL FY 2009 REQUEST	11,962.0	\$8,612,974

EG: Electronic Government
FP: Former Presidents

ASF: Acquisition Services Fund
WCF: Working Capital Fund

Total Obligations by Object Classification

(Dollars in Thousands)

	FY 2007 Actual	FY 2008 Current	FY 2009 Request
11.1 Full-time permanent	\$961,848	\$1,016,291	\$1,039,601
11.3 Other than permanent	1,590	1,879	1,839
11.5 Other personnel compensation	43,332	47,140	48,290
11.8 Special personal services payments	941	836	662
12.1 Civilian personnel benefits	265,229	278,821	284,933
13.0 Benefits for former personnel	2,140	2,060	2,226
21.0 Travel and transportation of persons	38,854	37,408	37,676
21.0 Motor Pool	0	15	0
22.0 Transportation of things	54,241	56,547	57,846
23.1 Rental payments	84,326	85,330	90,192
23.2 Rental payments to others	4,384,375	4,737,170	4,693,765
23.3 Communications, utilities, and misc.	481,149	499,994	503,063
24.0 Printing and reproduction	9,616	10,182	10,815
25.1 Advisory and assistance services	1,460,350	1,639,798	1,769,872
25.2 Other services	5,261,753	5,102,148	5,218,926
25.3 Purch. of goods & services from Govt	564,515	657,572	692,183
25.4 Operation & maintenance of facilities	369,843	379,082	387,968
25.5 Research and development contracts	0	0	0
25.6 Medical care	15	13	13
25.7 Operation & maintenance of equipmt	10,519	23,066	23,483
25.8 Subsistence and support of persons	0	0	0
26.0 Supplies and materials	2,523,522	2,970,295	3,042,068
31.0 Equipment	884,065	1,125,935	1,149,821
32.0 Lands and structures	1,453,224	2,034,349	1,752,893
33.0 Investments and loans	0	0	-1
41.0 Grants, subsidies and contributions	206	57	208
42.0 Insurance claims and indemnities	120	123	126
43.0 Interest and dividends	184,418	184,701	156,933
99.9 Total New Obligations	\$19,040,191	\$20,890,812	\$20,965,401
Presidential Transition Appropriation	0	0	8,520
	\$19,040,191	\$20,890,812	\$20,973,921

NOTE: Funds requested for the Presidential Transition Fund have not been distributed by object class. The distribution of these funds will be determined by the Transition Team of the incoming President, after the November 2008 general election.

Explanation of Changes, Federal Buildings Fund
(New Obligational Authority, Dollars in Thousands)

	Installment Acquisition Payments	Rental of Space	Building Operations	Construction and Acquisition	Repairs and Alterations	TOTAL
FY 2008 New Obligational Authority	\$155,781	\$4,630,315	\$2,105,490	\$531,448	\$722,161	\$8,145,195
Decrease in Capitalized Interest Payments	-1,967					-\$1,967
Decrease in Interest Payments	-4,244					-\$4,244
Annualization of FY 2008 Lease Expansions and Program Changes		-116,876				-\$116,876
Annualization of remaining FY 2008 program changes						\$0
Planned Reprogrammings						\$0
Rental Rate Increases		53,756				\$53,756
Lump Sum Payments for real estate taxes and lease buyouts		121,521				\$121,521
Lease Cancellations		-20,264				-\$20,264
Lease Expansions (other than indefinite)		23,704				\$23,704
Part-Year Increase for FY 2008 Pay Act (3.5%), Effective January, 2008			4,382			\$4,382
Pay Increase (2.9%), Effective January, 2009			13,795			\$13,795
Increase Cost of Supplies, Materials, and Service Contracts (2.4%)			31,299			\$31,299
Building Services in New Space			18,019			\$18,019
Increase for Cleaning and Maintenance Contract Labor Rates and Benefits			12,323			\$12,323
Decrease for IT Projects Transitioning to Maintenance			-2,230			-\$2,230
Security Charges from Homeland Security for Vacant Space			26,960			\$26,960
eAccount/eCustomer			4,850			\$4,850
Physical Access Control Systems for HSPD-12 compliance			4,278			\$4,278
Building Performance Improvement Program			4,188			\$4,188
Change in Construction for Executive Agencies				103,101		\$103,101
Change in Construction for Judiciary				-14,430		-\$14,430
Change in Basic R&A program					31,047	\$31,047
Increase to Line-Item R&A program					-53,462	-\$53,462
Decrease to Design program					-7,372	-\$7,372
FY 2009 New Obligational Authority	\$149,570	\$4,692,156	\$2,223,354	\$620,119	\$692,374	\$8,377,573

NOTE: FY 2009 Rental of Space NOA excludes lease expansions acquired through Indefinite Authority.

Explanation of Changes, GSA Operating Appropriations

(Budget Authority, Dollars in Thousands)

	OGP		OE		FCS		FP		EG		TOTAL	
	FTE request	\$	FTE request	\$	FTE request	\$	request	\$	request	\$	FTE request	\$
FY 2008 Appropriation	170.0	\$52,891	429.0	\$85,870	51.0	\$17,328	\$2,478	\$3,000	650.0	\$161,567		
Maintaining Current Levels:												
Annualization of FY 2008 Pay Raise (3%)	205		613		44						862	
FY 2009 Pay Raise (3%)	512		1,122		133						1,767	
Inflation	707		1,131		309		29				2,176	
Benefits for Former Presidents							12				12	
Program Decreases:												
Efficiency Savings	-100										-100	
Former President Carter Goods & Services												-4
Decrease Unfunded FTE												-34.0
Program Increases:												
Federal Acquisition Institute Training Support	2,000										2,000	
Federal Acquisition Institute Staffing	3.0										3.0	
Office of Emergency Response & Recovery FTE			9.0	1,207							9.0	1,207
Public Employees Roundtable				150							150	
USAC Contract Support					462						462	
Increase for President George W. Bush							366				366	
Rent Increase for Former President Clinton							28				28	
IT Consultants for Former President Bush							25				25	
Support FFATA Reporting Requirements									2,000		2,000	
Transfers:												
USA.gov IT Infrastructure			-35.0	-18,282	35.0	18,282						
FY 2009 Budget Request	173.0	\$56,578	369.0	\$71,811	86.0	\$36,558	\$2,934	\$5,000	628.0	\$172,881		

U.S. General Services Administration
EXPENSES, PRESIDENTIAL TRANSITION

Fiscal Year 2009 Budget Request

CONTENTS

Appropriations Language	2
Analysis of Language Provisions.....	2
Explanation of Changes	3
Summary of Request.....	3
Appropriations History	3
Authorizing Legislation	4

Appropriations Language

For expenses necessary to carry out the Presidential Transition Act of 1963, as amended, **\$8,520,000**, of which not to exceed \$1,000,000 is for activities authorized by subsections 3(a)(8) and (9) of the Act.

Analysis of Language Provisions

Language Provision	Explanation
For expenses necessary to carry out the Presidential Transition Act of 1963, as amended, ...	The Presidential Transition Act of 1963, as amended, is codified as 3 U.S.C. 102; section (2) declares the purpose of Act: "to promote the orderly transfer of the executive power in connection with the expiration of the term of office of a President and the inauguration of a new President."
... of which not to exceed \$1,000,000 is for activities authorized by subsections 3(a)(8) and (9) of the Act.	This provision provides up to \$1,000,000 to reimburse Federal agencies for costs incurred to provide key prospective appointees of the President-elect with briefings and orientations to prepare them to assume the responsibility of governance after inauguration (as authorized by subsection 3(a)(8)); and to prepare the transition directory, a compilation of Federal publications and materials, including information on the organization, missions, and duties of each department and agency (subsection 3(a)(9)).

Explanation of Changes

(Dollars in Thousands)

	Budget Authority
2008.....	\$0
2009.....	<u>8,520</u>
Net Change.....	\$8,520

Summary of Request

The FY 2009 budget requests \$8,520 thousand to provide for the orderly transfer of executive power in connection with the expiration of the term of office of the President and the inauguration of a new President. Transition funds become available to the incoming administration beginning the day following the day of the general election, and ending 30 days following the inauguration. Funds are available for expenses of the outgoing President and Vice President from 30 days before, until 6 months after their terms of office expire.

The requested level provides **\$5,300 thousand** for the incoming administration and **\$2,220 thousand** for the outgoing administration. The FY 2009 estimates for the incoming and outgoing administrations are the cumulative effect of annual baseline adjustment factors applied to the FY 2001 base transition request of \$7,100 thousand. These funds may be used to provide suitable office space for transition activities, provide compensation to transition office staffs, acquire communication services, provide allowances for travel and subsistence, and for printing and postage costs associated with the transition.

In addition, **\$1,000 thousand** is requested to reimburse Federal agencies for costs related to providing for briefings, workshops, training and orientation for key prospective Presidential appointees. These funds are authorized in the Presidential Transition Act of 2000, Public Law 106-293, signed October 12, 2000, to be appropriated as may be necessary.

Appropriations History

(Dollars in Thousands)

	2001 Actual	2005 Actual	2009 Request
Discretionary authority:			
Annual appropriation.....	\$7,100	\$0	\$8,520
Obligations.....	6,789	0	8,520
<i>Outlays</i>	<i>\$6,789</i>	<i>\$0</i>	<i>\$8,520</i>

Authorizing Legislation

Subsection 6(a) of the Presidential Transition Act of 1963, as amended, authorizes appropriations in a fixed amount; however, subsection 6(b) allows for inflationary adjustments:

(a) There are hereby authorized to be appropriated to the Administrator such funds as may be necessary for carrying out the purposes of this Act, except that with respect to any one Presidential transition -

(1) not more than \$3,500,000 may be appropriated for the purposes of providing services and facilities to the President-elect and Vice President-elect under section 3, and

(2) not more than \$1,500,000 may be appropriated for the purposes of providing services and facilities to the former President and former Vice President under section 4, except that any amount appropriated pursuant to this paragraph in excess of \$1,250,000 shall be returned to the general fund of the Treasury in the case where the former Vice President is the incumbent President.

The President shall include in the budget transmitted to Congress, for each fiscal year in which his regular term of office will expire, a proposed appropriation for carrying out the purposes of this Act.

(b) The amounts authorized to be appropriated under subsection (a) shall be increased by an inflation adjusted amount, based on increases in the cost of transition services and expenses which have occurred in the years following the most recent Presidential transition, and shall be included in the proposed appropriation transmitted by the President under the last sentence of subsection (a).

U.S. General Services Administration

FEDERAL BUILDINGS FUND

Fiscal Year 2009 Budget Request

CONTENTS

Summary of the Request.....	2
Schedule of Resources, New Obligational Authority, and Fund Balance.....	4
Crosswalk of FY 2007 New Obligational Authority.....	5
Indefinite Authority	5
Appropriations Language.....	6
Analysis of Language Provisions and Changes.....	10
Obligations by Object Classification.....	13
Obligations by Program	14
Summary of Total Inventory by Government-Owned and Leased Space	15
Summary of Total Inventory by Major Tenant Agency	15
FY 2009 Capital Program	16
Construction and Acquisition of Facilities.....	16
Repairs and Alterations.....	26
Program Description, Public Buildings Service.....	32
New Construction.....	33
Leasing	37
Rental of Space, Explanation of Changes	38
Rental of Space, Explanation of Changes by RSF	39
Rental of Space, Delegation Obligations	40
Asset Management	45
Building Operations, Explanation of Changes	46
Building Operations, Explanation of Changes by Program.....	48
Installment Acquisition Payments.....	53
Reimbursable Program	54
Schedule of Indefinite Authorities	55

Summary of the Request

The Federal Buildings Fund (FBF) is an intra-governmental revolving fund that finances real property management and related activities of the Public Buildings Service (PBS). Principal activities include the operation, maintenance, and repair of GSA-owned and leased buildings, and the construction of Federal buildings, courthouses, and land ports of entry.

The FBF is financed by income from rent charged to occupants of GSA-controlled space. The charges are required by law to approximate commercial rates for comparable space and services. In addition, Congress may appropriate monies from the general funds of the Treasury to the FBF, as it deems necessary. The FBF is subject to annual enactment of New Obligational Authority (NOA), a limitation on the use of revenue, by Congress.

In fiscal year 2009, GSA is requesting **total NOA of \$8,377,573 thousand** for this account, to be financed by revenues collected and **an appropriation to the Fund of \$525,000 thousand**. The funds requested would finance a \$1,312,493 thousand capital investment program, including **(1) \$620,119 thousand for New Construction and Acquisition** and **(2) \$692,374 thousand for Repairs and Alterations**, composed of the following projects:

CONSTRUCTION AND ACQUISITION Program (in priority order, dollars in thousands):

Executive Agencies:

Washington, DC, DHS Consolidation and Development of St. Elizabeths Campus.....	331,390
Washington, DC, St. Elizabeths West Campus Infrastructure.....	8,249
Washington, DC, St. Elizabeths West Campus Site Acquisition.....	7,000
San Ysidro, CA, Land Port of Entry.....	58,910
Montgomery County, MD, Food and Drug Administration Consolidation.....	78,532
Portal, ND, Land Port of Entry.....	15,204
Lakewood, CO, Denver Federal Center Remediation.....	<u>\$10,472</u>
Subtotal, Executive Agencies.....	\$509,757

Federal Judiciary:

San Diego, CA, United States Courthouse Annex.....	<u>\$110,362</u>
Subtotal, Federal Judiciary.....	\$110,362

New Obligational Authority, CONSTRUCTION AND ACQUISITION Program.....	\$620,119
--	------------------

REPAIRS AND ALTERATIONS Program (in priority order, dollars in thousands):

Non-Prospectus (Basic) Repairs and Alterations Program.....	\$350,000
Limited Scope Program:	
Washington, DC, Eisenhower Executive Office Building – CBR.....	\$14,700
Washington, DC, West Wing Infrastructure Systems Replacement.....	<u>76,487</u>
Subtotal, Limited Scope Program.....	\$91,187
Full Scope Repairs and Alterations:	
Washington, DC, Eisenhower Executive Office Building – Phase III.....	51,075
Chicago, IL, Dirksen Courthouse.....	152,825
New Bern, NC, United States Post Office and Courthouse.....	<u>10,640</u>
Subtotal, Full Scope Repairs and Alterations Projects.....	\$214,540
Energy and Water Retrofit and Conservation Measures.....	\$36,647
New Obligational Authority, REPAIRS AND ALTERATIONS Program.....	\$692,374

In addition, GSA requests:

(3) \$149,570 thousand for Installment Acquisition Payments, which provide for payments of interest for facilities constructed under borrowing authority;

(4) \$4,692,156 thousand for Rental of Space activities, which involve acquiring and administering leasehold interests in privately owned buildings where Federally owned space is not available; and

(5) \$2,223,354 thousand for Building Operations program, which provides services for both Federally owned and leased facilities including cleaning, utilities and fuels, maintenance, and administration and management of all PBS real property programs, and provides for the salaries and expenses of the PBS workforce of **5,767 FTE**.

The FBF request is presented and organized around the three major program areas of the Public Buildings Service: Construction, Leasing, and Asset Management. Specific budget and program performance data is contained in each of these sections of the budget.

Schedule of Resources, New Obligational Authority, and Fund Balance

(Dollars in Thousands)

	FY 2007 Actual	FY 2008 Current	FY 2009 Request
Resources:			
Available from prior year for reauthorization	\$55,821	\$141,078	\$148,942
Redemption of Debt	(45,089)	(50,804)	(56,865)
Reprogramming Authority	0	0	0
Appropriation	93,586 ⁴	83,964	525,000
Transfer	(57,125)	0	0
Rescission/Lapsed	0	0	0
Revenue from operations:			
Rent	7,482,425	7,709,300	8,077,135
Indefinite Authority for Rental of Space	287,605	314,781	[425,897]
Other Indefinite Authorities	35,878	[41,800]	[44,300]
Miscellaneous	3,405	5,241	5,362
Outleasing	7,569	5,870	6,005
Retention of Proceeds (Sale of Real Property)	84,290	70,000	31,000
SSA/CDC/CMS Payments	14,159	14,707	14,737
Subtotal, Revenue.....	\$7,915,331	\$8,119,899	\$8,134,239
Total Resources Available.....	\$7,962,524	\$8,294,137	\$8,751,316
New Obligational Authority:			
Construction and Acquisition	\$648,302 ³	\$531,448	\$620,119
Repairs and Alterations	623,232 ¹	722,161 ²	692,374 ²
Installment Acquisition Payments	163,999	155,781	149,570
Rental of Space	4,355,486 ¹	4,630,315 ¹	4,692,156 ²
Building Operations	2,030,427 ^{1,3}	2,105,490 ²	2,223,354 ²
Total New Obligational Authority.....	\$7,821,446	\$8,145,195	\$8,377,573
Fund Balance:			
Total Resources Available	\$7,962,524	\$8,294,137	\$8,751,316
Total New Obligational Authority	(\$7,821,446)	(\$8,145,195)	(\$8,377,573)
Prior Year Recoveries	0	0	0
Fund Balance (Available for Reauthorization).....	\$141,078	\$148,942	\$373,743
Net Budget Authority.....	(\$48,796)	\$76,100	\$300,199

NOTE: Net Budget Authority reports only that portion of New Obligational Authority financed by the Fund balance, appropriations, or transfers in. Revenues collected from funds appropriated to other Federal agencies are excluded, to be scored against those other agencies. Net BA is calculated as the Appropriation, *plus* the net change in the Fund Balance ["Available from prior year for reauthorization" *minus* end-of-year "Fund Balance (Available for Reauthorization)"], plus any Transfers or Rescissions.

¹ Includes Indefinite Authority.

² Excludes Indefinite Authority.

³ Includes transfer to the Department of the Navy, per P.L. 110-5.

⁴ Includes \$4,525 thousand, per section 111 of P.L. 110-5

Crosswalk of FY 2007 New Obligational Authority

(Dollars in Thousands)

	P.L. 110-5, dated 2/15/07	Transfer	Subtotal, FY 2007 Enacted Legislation	Indefinite Authority	FY 2007 Actual NOA
New Obligational Authority:					
Construction and Acquisition	\$701,137	(\$52,835)	\$648,302	\$0	\$648,302
Repairs and Alterations	618,241	0	618,241	4,991	623,232
Installment Acquisition Payments	163,999	0	163,999	0	163,999
Rental of Space	4,067,881	0	4,067,881	287,605	4,355,486
Building Operations	2,003,830	(4,290)	1,999,540	30,887	2,030,427
Total New Obligational Authority	\$7,555,088	(\$57,125)	\$7,497,963	\$323,483	\$7,821,446

NOTE: \$57,125 thousand was transferred to the Department of the Navy, in accordance with P.L. 110-5, dated February 15, 2007; transfer completed on July 2, 2007.

Indefinite Authority

(Dollars in Thousands)

	FY 2007 Actual	FY 2008 Current	FY 2009 Request
Repairs and Alterations (Line-Item):			
Recycling	\$25	[\$400]	[\$400]
Historical Outleasing	\$4,426	[\$3,500]	[\$3,500]
Energy Rebates	\$540	[\$400]	[\$400]
Total, Repairs and Alterations.....	\$4,991	[\$4,300]	[\$4,300]
Rental of Space:			
Leased Expansion Space	\$287,605	\$314,781	[\$425,897]
Building Operations:			
International Trade Center	\$21,873	[\$25,900]	[\$27,400]
Cooperative Use Act - Outleasing	\$7,351	[\$8,500]	[\$9,500]
National Antenna Program	\$1,349	[\$2,200]	[\$2,200]
Teleworking	\$314	[\$900]	[\$900]
Total, Building Operations.....	\$30,887	[\$37,500]	[\$40,000]

NOTE: Bracketed numbers are projections and are not included in reported resources or new obligational authority.

Appropriations Language

For an additional amount to be deposited in the Federal Buildings Fund, **\$525,000,000**.

Amounts in the Fund, including revenues and collections deposited into the Fund, shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of **\$8,377,573,000**, of which: (1) **\$620,119,000** shall remain available until expended for construction (including funds for sites and expenses and associated design and construction services) of additional projects at the following locations:

New Construction:

California:

San Diego, United States Courthouse Annex, \$110,362,000.

San Ysidro, Land Port of Entry, \$58,910,000.

Colorado:

Lakewood, Denver Federal Center Remediation, \$10,472,000.

District of Columbia:

DHS Consolidation and development of St. Elizabeths Campus, \$331,390,000.

St. Elizabeths West Campus Infrastructure, \$8,249,000.

St. Elizabeths West Campus Site Acquisition, \$7,000,000.

Maryland:

Montgomery County, Food and Drug Administration Consolidation, \$78,532,000.

North Dakota:

Portal, Land Port of Entry, \$15,204,000:

Provided, That all funds for direct construction projects shall expire on September 30, 2010 and remain in the Federal Buildings Fund except for funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date; (2) **\$692,374,000** shall remain available until expended for repairs and alterations, which includes associated design and construction services:

Repairs and Alterations:

District of Columbia:

Eisenhower Executive Office Building, CBR, \$14,700,000.

Eisenhower Executive Office Building, Phase III, \$51,075,000.

West Wing Infrastructure Systems Replacement, \$76,487,000.

Illinois:

Chicago, Dirksen Courthouse, \$152,825,000.

North Carolina:

New Bern, United States Post Office and Courthouse, \$10,640,000.

Special Emphasis Programs:

Energy and Water Retrofit and Conservation Measures, \$36,647,000.

Basic Repairs and Alterations, \$350,000,000:

Provided further, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance notice is transmitted to the Committees on Appropriations: Provided further, That the amounts provided in this or any prior Act for "Repairs and Alterations" may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate Committees of the House and Senate: Provided further, That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading "Repairs and Alterations", may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: Provided further, That all funds for repairs and alterations prospectus projects shall expire on September 30, 2010 and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: Provided further, That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading "Repairs and Alterations" or used to fund authorized increases in prospectus projects; (3) **\$149,570,000** for installment acquisition payments including payments on purchase contracts which shall remain available until expended; (4) **\$4,692,156,000** for rental of space which shall remain available until expended; and (5) **\$2,223,354,000** for building operations which shall remain available until expended: Provided further, That funds made available in this or any previous Act in the Federal Buildings Fund for New Construction and Repairs and Alterations shall be limited to the amount identified for each line item, except, to the extent that savings are available in any Federal Buildings Fund

activities, each line item may be increased by an amount not to exceed 10 percent unless advance notice is transmitted to the Committees on Appropriations of a greater amount: Provided further, That funds available to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses for the development of a proposed prospectus: Provided further, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance notice is transmitted to the Committees on Appropriations: Provided further, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 592(b)(2)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, shall be available from such revenues and collections: Provided further, That revenues and collections and any other sums accruing to this Fund during fiscal year 2009, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 592(b)(2)) in excess of the aggregate new obligational authority authorized for Real Property Activities of the Federal Buildings Fund in this Act shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

Analysis of Language Provisions and Changes

Language Provision <u> </u>	Explanation
<p>Provided , That all funds for direct construction projects shall expire on September 30, <u> </u> and remain in the Federal Buildings Fund except for funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date;</p>	<p>This provision is included to provide a two-year window of opportunity for GSA to obligate some or all of the funds provided for a project, following which, all funds provided for that project remain available until expended, for obligation against that project. If no obligation were to occur within the two-year window, all affected funds lapse into the Federal Buildings Fund and may be re-authorized for a different purpose under future appropriations Acts.</p>
<p>Provided further, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance <u> </u> to the Committees on Appropriations:</p>	<p>Where a new repair and alteration project has received prospectus approval by GSA's authorizing Committees, the agency requests authority to provide <i>notice</i> to the Committees on Appropriations rather than seeking their advance approval prior to utilizing funds appropriated under this category. This change would expedite GSA's performance of approved repair and alteration projects.</p>
<p>Provided further, That all funds for repairs and alterations prospectus projects shall expire on September 30, <u> </u> and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date:</p>	<p>This provision is included to provide a two-year window of opportunity for GSA to obligate some or all of the funds provided for a project, following which, all funds provided for that project remain available until expended, for obligation against that project. If no obligation were to occur within the two-year window, all affected funds lapse into the Federal Buildings Fund and may be re-authorized for a different purpose under future appropriations Acts.</p>

Language Provision <u> </u>	Explanation
<p> [Provided further, That each of the foregoing limits of costs on new construction projects may be exceeded to the extent that savings are affected in other such projects, but not to exceed 10 percent of the amounts included in an approved prospectus, if required, unless advance approval is obtained from the Committees on Appropriations of a greater amount:] ...</p> <p>... [Provided further, That funds made available in this or any previous Act in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount identified for each project, except each project in this or any previous Act may be increased by an amount not to exceed 10 percent unless advance approval is obtained from the Committees on Appropriations of a greater amount:] ...</p> <p>... <u>Provided further, That funds made available in this or any previous Act in the Federal Buildings Fund for New Construction and Repairs and Alterations shall be limited to the amount identified for each line item, except, to the extent that savings are available in any Federal Buildings Fund activities, each line item may be increased by an amount not to exceed 10 percent unless advance notice is transmitted to the Committees on Appropriations of a greater amount:</u></p>	<p>The amendments to the identified provisions would allow GSA to escalate line-item New Construction and Repairs and Alterations projects up to 10% using savings from any of the Federal Buildings Fund activities. This will reduce the size and frequency of reprogramming requests requiring Congressional approval, provide a larger pool of funds from which GSA can escalate projects, and allow GSA to adjust for changes in requirements with regard to operating activities. This change would allow GSA to conduct its capital program in a more timely and responsive manner without impinging on the authority and control of the Committees.</p>

Analysis of Language Provisions and Changes

Language Provision [delete] <u>insert</u>	Explanation
<p>Provided further, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance [approval is obtained from]<u>notice is transmitted to the Committees on Appropriations:</u></p>	<p>Where an emergency repair requirement arises (e.g. following water or wind damage caused by a hurricane), GSA requires the authority to immediately obligate and expend funds to undertake corrective action. GSA requests authority to provide <i>notice to</i> the Committees on Appropriations rather than seeking their advance approval prior to utilizing funds appropriated under this category. This change would expedite and enhance GSA's ability to timely respond to emergency repair needs.</p>
<p>Provided further, That revenues and collections and any other sums accruing to this Fund during fiscal year [2008]<u>2009</u>, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 592(b)(2)) in excess of the aggregate new obligational authority authorized for Real Property Activities of the Federal Buildings Fund in this Act shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.</p>	<p>This language provides GSA with authority to retain all receipts collected in the year of the appropriation, in excess of aggregate annual new obligational authority, which are not available for obligation until authorized under future appropriations Acts.</p>

U.S. General Services Administration
Federal Buildings Fund

Obligations by Object Classification

(Dollars in Thousands)

	FY 2007 Actual	FY 2008 Current	FY 2009 Request
11.1 Full-time permanent	\$463,364	\$485,440	\$490,219
11.3 Other than full-time permanent	6	6	6
11.5 Other personnel compensation	22,070	22,566	22,566
11.8 Special personnel service payments	286	292	292
12.1 Civilian personnel benefits	125,573	131,539	132,960
13.0 Benefits for former personnel	517	529	517
21.0 Travel and transportation of persons	20,494	20,985	20,994
22.0 Transportation of things	2,117	2,168	2,171
23.1 Rental payments to GSA	0	0	0
23.2 Rental payments to others	4,384,146	4,736,680	4,693,258
23.3 Communications and utilities	443,175	462,554	464,779
24.0 Printing and reproduction	3,064	3,120	3,177
25.1 Advisory and assistance services	1,326,168	1,401,638	1,540,755
25.2 Other services	457	2,428	963
25.3 Goods & services from Gov't accounts	195,067	159,074	187,504
25.4 Operation and maintenance of facilities	369,843	379,082	387,968
25.6 Medical care	13	13	13
25.7 Operation and maintenance of equipment	5,141	4,460	4,447
25.8 Subsistence and support of persons	0	0	0
26.0 Supplies and materials	43,311	44,182	45,302
31.0 Equipment	76,804	78,648	78,889
32.0 Land and structures	1,452,501	2,031,346	1,752,893
33.0 Investments and loans	0	0	0
41.0 Grants, subsidies, and contributions	56	57	58
42.0 Insurance claims and indemnities	120	123	126
43.0 Interest and dividends	184,418	184,701	156,933
99.9 Total Obligations.....	\$9,118,711	\$10,151,631	\$9,986,790
Subtotal, PC&B.....	611,816	640,372	646,560
Subtotal, Non-labor.....	8,506,895	9,511,259	9,340,230

U.S. General Services Administration
Federal Buildings Fund

Obligations by Program

(Dollars in Thousands)

	FY 2007 Actual		FY 2008 Current		FY 2009 Request		Increase/(Decrease) for FY 2009	
	FTE	obligations	FTE	obligations	FTE	obligations	FTE	obligations
1. Construction and Acquisition		\$605,695		\$1,192,968		\$783,314		(\$409,654)
2. Repairs and Alterations		832,861		808,521		946,917		\$138,396
3. Design and Construction Services		0		565		0		(\$565)
4. Installment Acquisition Payments		158,513		179,305		149,570		(\$29,735)
5. Construction of Lease Purchase Facilities		11,337		16,284		1,000		(\$15,284)
6. Pennsylvania Avenue Activities								
a) Repairs and Alterations		11		2,200		12,350		\$10,150
b) Building Operations		64		1,400		500		(\$900)
7. Rental of Space		4,375,978		4,735,603		4,692,156		(\$43,447)
8. Building Operations								
a) Cleaning	39.0	265,355	69.0	287,199	69.0	300,283	0.0	\$13,084
b) Utilities/Fuel	0.0	356,118	0.0	448,102	0.0	461,600	0.0	\$13,498
c) Maintenance	149.0	276,590	305.0	304,559	305.0	324,035	0.0	\$19,476
d) Other Building Services	985.0	272,023	1,122.0	245,499	1,122.0	269,455	0.0	\$23,956
e) Space Acquisition	1,581.0	196,408	1,363.0	196,271	1,363.0	190,956	0.0	(\$5,315)
f) Staff Support	2,830.0	416,733	2,656.0	404,426	2,656.0	360,680	0.0	(\$43,746)
g) CIO	111.0	160,704	135.0	156,166	135.0	167,044	0.0	\$10,878
h) Centralized Services		124,579		146,114		149,301	0.0	\$3,187
i) International Trade Center		20,884		6,538		0	0.0	(\$6,538)
Subtotal, Building Operations		\$2,089,394	5,650.0	\$2,194,874	5,650.0	\$2,223,354	0.0	\$28,480
9. Reimbursable	211.0	1,044,858	117.0	1,019,911	117.0	1,177,629	0.0	\$157,718
Total, FTE and obligations.....	5,906.0	\$9,118,711	5,767.0	\$10,151,631	5,767.0	\$9,986,790	0.0	(\$164,841)
<i>Net Outlays</i>		(\$4,558)		\$225,566		\$519,082		\$293,516

Summary of Total Inventory by Government-Owned and Leased Space

(Rentable Square Feet in Thousands)

	FY 2007 Actual	Change from FY 2006	FY 2008 Current	Change from FY 2007	FY 2009 Request	Change from FY 2008
Government Owned Space						
Assigned	162,344	693	162,707	363	161,709	(998)
Vacant	9,658	(3,181)	8,561	(1,097)	8,511	(50)
Total, Government-Owned	172,002	(2,488)	171,268	(734)	170,220	(1,048)
GSA Leased Space						
Assigned	173,485	4,342	178,996	5,511	184,750	5,754
Vacant	1,943	(959)	2,726	783	2,813	87
Total, GSA Leased Space	175,428	3,383	181,722	6,294	187,563	5,841
Government Owned and Leased						
Assigned	335,829	5,035	341,703	5,874	346,459	4,756
Vacant	11,601	(4,140)	11,287	(314)	11,324	37
Total Space in Inventory	347,430	895	352,990	5,560	357,783	4,793
% of Total Space Vacant	3.34%		3.20%		3.17%	
% of Govt-Owned Space Vacant	5.62%		5.00%		5.00%	
% of Leased Space Vacant	1.11%		1.50%		1.50%	

Summary of Total Inventory by Major Tenant Agency

(Rentable Square Feet in Thousands)

	FY 2007 Actual	FY 2008 Current	FY 2009 Request	Change from FY 2008
Justice Department	42,349	45,123	46,785	1,662
U.S. Courts	39,468	40,333	40,285	(48)
Department of Homeland Security	33,009	35,462	36,375	913
Treasury Department	30,821	30,347	30,428	81
Social Security Administration	27,959	29,259	29,485	226
Department of Defense	26,758	28,324	27,802	(522)
Health and Human Services	14,653	15,537	15,139	(398)
Interior Department	13,114	14,992	14,999	7
All others	107,698	102,326	105,161	2,835
Total Space Assigned	335,829	341,703	346,459	4,756

U.S. General Services Administration
Federal Buildings Fund

FY 2009 Capital Program

Construction and Acquisition of Facilities

(Dollars in Thousands)

	Funded to Date	FY 2008 Funding	Estimated Total Project Cost			FY 2009 Request							
			Site	Design	Construction	M&I	TOTAL	Site	Design	Construction	M&I	TOTAL	
New Construction:													
Washington, DC, DHS Consolidation and Development of St. Elizabeths Campus.....	24,900	0	96,260	1,482,978	83,599	0	1,662,837	0	5,000	313,465	12,925	331,390	
Washington, DC, St. Elizabeths West Campus Infrastructure.....	19,539	0	30,691	276,539	35,284	0	342,514	0	3,000	5,249	0	8,249	
Washington, DC, St. Elizabeths West Campus Site Acquisition.....	0	0	11,000	0	0	0	11,000	7,000	0	0	0	7,000	
San Ysidro, CA, Land Port of Entry.....	34,211	199,179	40,000	36,540	474,547	25,626	576,713	0	0	55,892	3,018	58,910	
Montgomery County, MD, Food and Drug Administration Consolidation.....	625,265	57,749	1,200	62,047	1,043,010	41,280	1,147,537	0	1,678	73,501	3,353	78,532	
Portail, ND, Land Port of Entry.....	24,552	0	1,000	1,953	33,928	2,875	39,756	0	0	13,904	1,300	15,204	
Lakewood, CO, Denver Federal Center Remediation.....	6,000	0	0	0	27,135	0	27,135	0	0	10,472	0	10,472	
Subtotal, Executive Agencies.....	734,467	256,928	180,151	1,860,057	1,697,503	69,781	3,807,492	7,000	9,678	472,483	20,596	509,757	
Federal Judiciary:													
San Diego, CA, United States Courthouse Annex.....	302,183	0	31,916	13,711	356,918	10,000	412,545	0	0	108,102	2,260	110,362	
Subtotal, Federal Judiciary.....	302,183	0	31,916	13,711	356,918	10,000	412,545	0	0	108,102	2,260	110,362	
Total Construction and Acquisition of Facilities...	1,036,650	256,928	212,067	1,873,768	2,054,421	79,781	4,220,037	7,000	9,678	580,585	22,856	620,119	

CALIFORNIA

San Diego – United States Courthouse Annex.....\$110,362,000

The General Services Administration (GSA) proposes the construction of a Courthouse Annex (CT Annex) in San Diego, CA. The CT Annex will meet the 30-year space needs of the courts and court-related agencies in conjunction with the existing Edward J. Schwartz Federal Building and U.S. Courthouse (FB-CT). In fiscal year 2005, San Diego was one of the four emergency projects on the Judiciary's Revised Five-Year Courthouse Project Plan, spanning from fiscal years 2005 – 2009, approved by the Judicial Conference on March 26, 2004.

In fiscal year 2006, a project was funded for a CT Annex providing 619,644 gross square feet of space. Due to increased construction materials costs, GSA and the District Court agreed to reduce the scope of this project. Under this revised scope, GSA eliminated six proposed floors of the building. The number of proposed district courtrooms, but not chambers, were reduced from 18 to 14 and the number of appellate chambers were reduced from 3 to 2 in the 10-year program. The proposed expansion district courtrooms, but not chambers, were reduced from 5 to 0 in the 30-year program. The new CT Annex will provide 466,886 gross square feet, 152,758 gross square feet less than the original construction prospectus for this project. After submitting the revised plan, GSA encountered additional difficulty and was unable to award the reduced project. Due to continuing materials escalation, limited bidding, market conditions, and further delays in award, GSA is seeking additional funding.

After completion of the proposed CT Annex, the existing FB-CT will be retained to provide space for the magistrate, senior district, and two Court of Appeals judges. The U.S. Bankruptcy Court will continue to occupy the Jacob Weinberger Courthouse. One Court of Appeals Judge, Pretrial Services and a portion of the U.S. Attorney's office are in leased locations in the downtown area. These leases will be extended or terminated to coincide with the occupancy of the new CT Annex.

The District Court currently occupies space in the existing FB-CT. This building cannot accommodate the Courts' total space requirements and was not designed to accommodate needed expansion on the site. Some of the modifications to the FB-CT resulted in less than adequate sized courtrooms that have been used for the last 13 years.

Federal construction of a new CT Annex in conjunction with continued use of the existing FB-CT is the most desirable housing strategy to meet the projected space needs of the Southern District Courts and court-related agencies in San Diego. The new CT Annex will improve the flow of prisoners, adequately house the district judges, and significantly increase security. Completion of the CT Annex will permit one Court of Appeals judge and Pretrial Services to vacate leased space.

In September 2003, The Judicial Conference declared a space emergency in San Diego in order to recognize the effect of aggressive border enforcement initiatives on the court's facilities and the serious security and operational problems at this location.

Site acquisition (\$31,916 thousand) was funded in fiscal years 1999, 2002, 2003, and 2005. Design (\$13,711 thousand) was funded in fiscal years 2003 and 2006. Partial Construction (\$248,816 thousand) and management and inspection (\$7,740 thousand) were funded in fiscal year 2006. This request is for additional construction and (\$108,102 thousand) and management and inspection (\$2,260 thousand). The estimated total project is \$412,545 thousand.

FY 2009 Capital Program

CALIFORNIA - continued

San Ysidro – Land Port of Entry.....\$58,910,000

The General Services Administration (GSA) proposes the design and construction of the reconfiguration and expansion of the existing San Ysidro Land Port of Entry (LPOE) facility in San Diego, CA.

The San Ysidro LPOE is a US-Mexico border visitor inspection facility constructed in 1973 to house the Federal inspection agencies. It is the busiest land border crossing in the world in legitimate passenger volume, narcotics seizure activity, criminal arrests and undocumented alien apprehensions. It processes approximately 50,000 northbound vehicles and 22,000 northbound pedestrians daily.

This project proposes the reconfiguration and expansion of the existing San Ysidro border facility in three phases. Phase I expands the capacity of the port to process northbound vehicular traffic. The work involves demolition of the 24 existing primary inspection booths and secondary inspection facilities. It also involves construction of 46 new inspection booths with new canopy; four secondary inspection booths with canopy; a central holding facility; a portion of a new central plant; an employee parking structure with access bridge; and an east-west public pedestrian bridge crossing Interstate-5.

Phase II replaces the northbound processing buildings not demolished during the previous phase. It involves demolition of all remaining structures other than the historic port building and construction of a new administration and pedestrian processing building, a connection to the central holding facilities and the remainder of the central plant.

Phase III creates a new southbound connection to Mexico, with inspection facilities, and provides 14 additional northbound primary inspection booths. It involves demolition of all structures remaining on the Virginia Avenue site of the abandoned commercial inspection facility; realignment of the southbound roadway to enter Mexico at the proposed El Chaparral inspection facility; installation of 12 southbound inspection booths with canopy; construction of a north-south pedestrian bridge; and renovation of the historic port building.

The current facility, constructed in 1973, no longer effectively supports the Customs and Border Protection (CBP) facilitation and enforcement missions. It is unsafe, undersized, outdated, unhealthy and unsightly. It neither adequately supports CBP's unified organization or other key programs, i.e., the USVISIT program. Public safety is compromised due to the lack of circulation separation between suspected offenders and other visitors, while Federal employee safety is compromised due to their offices being located directly above public traffic lanes. The facility is inadequate to timely process visitors as is, and will be even more so as its passenger and pedestrian volumes are projected to grow significantly during the coming years. Currently, northbound vehicle wait times are routinely 45 minutes and can reach up to two hours during peak traffic periods.

The proposed expansion and configuration will improve officer safety and through-put of pedestrian and non-commercial traffic. With its huge traffic volume and high seizure, arrest and apprehension rates, San Ysidro represents the best opportunity at a LPOE to reduce threats to the nation while facilitating legitimate travel. Among LPOE projects nationwide, reconfiguration and expansion of this port is CBP's highest priority.

Partial site acquisition (\$25,630 thousand) and design (\$8,581 thousand) were funded in fiscal year 2004. Additional site acquisition (\$8,670 thousand and \$5,700 thousand = \$14,370 thousand) and the balance of phase I design (\$14,822 thousand), phase II design (\$4,290 thousand), phase III design (\$8,847 thousand), phase I garage construction (\$13,315 thousand), garage management and inspection (\$935 thousand), partial phase I construction (\$135,499 thousand) and management and inspection (\$7,101 thousand) were funded in fiscal year 2008.

CALIFORNIA - continued

This request is for the balance of construction of phase I (\$55,892 thousand) and management and inspection (\$3,018 thousand). Phase II construction (\$154,948 thousand) and management and inspection (\$8,367 thousand) and Phase III construction (\$114,893 thousand) and management and inspection (\$6,205 thousand) will be requested in a future fiscal year. The estimated total project cost is \$576,713 thousand.

COLORADO

Lakewood - Denver Federal Center Remediation.....\$10,472,000

The General Services Administration (GSA) proposes remediation work to multiple sites that are located at the Denver Federal Center (DFC). Under the Resources Conservation and Recovery Act (RCRA) Consent Order Program, the State of Colorado requires cleanup of these sites. RCRA is Federal legislation enacted in 1976 that is aimed at protecting the environment. RCRA addresses the treatment, storage, disposal, and cleanup of hazardous waste. GSA is required by the State of Colorado to complete this remediation in order to satisfy the three State Consent Orders. In addition, the Master Plan for the DFC is nearing completion and this remediation must also be completed so that future land development planned for the DFC can commence.

The proposed work will not only bring the DFC within compliance with the state requirements, but will also bring the land up to residential standards for future development. Most of the buildings on the Federal Center were constructed in 1941 for the Denver Ordnance Plant that produced ammunition in support of World War II. The DFC has since been used by over 27 different Federal Agencies over more than 67 years. The various agencies have used the property for many reasons including but not limited to: pesticide and herbicide testing, animal testing, landfills (disposal of waste and construction debris), storage of hazardous materials, firing ranges, burn pits, underground storage tanks (USTs) that have leaked, a waste water treatment plant, and disposal of Asbestos Containing Material (ACM). Based on historical review of the DFC, GSA has identified over 600 areas which have the potential to have managed, disposed of, or used hazardous materials at this facility.

GSA is seeking funding to complete the environmental remediation necessary to satisfy the Consent Orders and prepare the land for future development. In addition, GSA has recently been involved in a large master planning effort aimed at improving utilization of the land and buildings located at the DFC.

GSA has accomplished varying levels of work on 27 different geographic areas on the facility. All parts of the facility are in some stage of investigation and cleanup under the RCRA Consent Order Program. The overall program has focused on two different types of remedial action at this facility including groundwater treatment by a passive iron fillings wall and soil removal.

In fiscal year 2004 (\$6,000 thousand) was provided for remediation. In fiscal year 2008 GSA will propose, via a reprogramming request, funding of (\$1,642 thousand) for the DFC remediation. This request (\$10,472 thousand) is for continued remediation activities. The balance of project funding (\$5,714 thousand) and (\$3,307 thousand) will be requested in future fiscal years. The estimated total project cost is \$27,135 thousand.

FY 2009 Capital Program

DISTRICT OF COLUMBIA

DHS Consolidation & development of St. Elizabeths Campus..\$331,390,000

The General Services Administration (GSA) proposes the redevelopment of the West Campus of St. Elizabeths Hospital, a 176-acre site including 70 existing buildings with approximately 1.2 million gross square feet (gsf) of space.

This request is for the construction of a new headquarters for the U.S. Coast Guard (USCG) and design of a new facility for headquarters elements of the Department of Homeland Security (DHS) at St. Elizabeths West Campus.

GSA proposes to construct the new headquarters facility for the USCG in two phases (Phase I-a and Phase I-b). Phase I-a will construct office space and structured parking to consolidate the USCG headquarters and Phase I-b will construct a USCG command center and shared use space to support the USCG and elements of DHS that will occupy the campus. GSA also proposes to design a facility (Phase II) for elements of DHS.

The goal of Phase I-a and I-b is to provide 1,338 thousand gsf of housing, plus a structured parking garage containing 1,000 spaces, for the USCG consolidation on Federally-owned land. The project will be delivered in two phases. Phase 1-a will provide the headquarters building with 1,135 thousand gsf of housing and some special spaces, plus 650 spaces of structured parking. Phase 1-b will provide 203 thousand gsf of office and special spaces, many of which can be adapted for shared use with elements of DHS such as the child development center, auditorium, and cafeteria, plus 350 spaces of structured parking. Both Phase I-a and Phase I-b are required to fully support USCG's operations, and therefore are scheduled to be completed together.

The goal of Phase II is to provide 1,600 thousand gsf of highly-secure housing, plus structured parking garage(s) containing 2,000 spaces, to consolidate elements of DHS on Federally-owned land. Included in the overall square footage being provided is shared-use space to be developed in several of the historic buildings already on site that have been stabilized in preparation for their re-use. Also included is special space for communications equipment.

The major driving factors for this project include the tenant's need for more space, lack of large Federal land sites remaining for development in the District of Columbia, high-level security requirements, and existing deficiencies and deferred maintenance at St. Elizabeths West Campus. The proposed project will provide a cost efficient alternative to leasing. Due to recent hiring, the USCG has outgrown its current primary headquarters location at the Transpoint Building where it has been housed for more than 25 years. Other USCG locations will also be included in this consolidation.

Elements of DHS are located in more than 6 million usable square feet of Federally-owned and leased space throughout the National Capital Region (NCR). DHS's mission requires an integrated approach, yet legacy facilities occupied by agencies merged into the Department and dispersed locations do not maximize the Department's effectiveness and efficiency. Direct benefits of St. Elizabeths West Campus are enhanced communications, coordination, operational effectiveness, and physical security. Efficiencies could also be gained in direct support, shared services, and functional integration.

Many agencies require the highest security protection levels available including deep setbacks, blast protection, and progressive collapse mitigation. The West Campus currently provides deep setbacks from neighboring properties and limited facility access, reducing the cost of other security requirements.

Design of Phase I-a (\$24,900 thousand) was funded in fiscal year 2006. This request is for a portion of the design for Phase II (\$5,000 thousand), construction of a warm lit shell (minus tenant improvements and parking) for Phase 1-a

DISTRICT OF COLUMBIA - continued

(\$313,465 thousand), and Management & Inspection (\$12,925 thousand). The balance of Phase I-a construction and Phase I-b plus parking will be requested in a future fiscal year.

The estimated total project costs for all buildings in Phases I, II and III is \$1,662,837 thousand.

St. Elizabeths West Campus Infrastructure.....\$8,249,000

The General Services Administration (GSA) proposes to redevelop the West Campus of St. Elizabeths Hospital, a 176-acre site including 70 buildings. GSA seeks additional funding for design and infrastructure repair/replacement costs that are necessary to prepare the site for future tenancy.

The site is suited to provide federal agencies with a high security campus due to its topography, limited access, and significant setbacks from neighboring properties. The site is easily accessible from the central employment area and is the last large developable site remaining under Federal control in the District of Columbia.

The primary goal of this project is to prepare the West Campus for redevelopment as a Federal facility by providing a reliable infrastructure that will serve the needs of tenants for many years into the future. A secondary goal is to relocate Federal tenants currently in leased space to Federally-owned space. The existing buildings contain approximately 1.2 million gross square feet (gsf) of space and the site has the potential to develop a total of 4.5 million gsf of Federally constructed and rehabilitated space; plus structured parking of approximately 1.9 million gsf for a total of 6.4 million gsf. The major driving factors for this project include demand for space, current lack of large Federal sites to be developed in the District, high-level security requirements, existing deficiencies, and deferred maintenance at St. Elizabeths West Campus. The proposed alterations will provide a cost efficient alternative to leasing while preserving a National Historic Landmark.

Design (\$7,645 thousand), construction (\$5,080 thousand) and management and inspection (\$370 thousand) were funded in fiscal year 2006. Additional construction (\$5,912 thousand) and additional management and inspection (\$532 thousand) were funded in fiscal year 2007. This request is for additional design (\$3,000 thousand) and construction (\$5,249 thousand). The balance of the campus infrastructure project will be requested in future fiscal years. The estimated total project cost is \$342,514 thousand.

St. Elizabeths West Campus Site Acquisition.....\$7,000,000

The General Services Administration (GSA) proposes to continue redeveloping the West Campus of St. Elizabeth's Hospital, a 176-acre site including 70 buildings. GSA is requesting funds to purchase approximately two acres of land from both the District of Columbia and CSX Corporation. These purchases are necessary to develop an additional ingress/egress point to the West Campus to mitigate the increased traffic generated by the new Federal campus.

The goal of this project is to assist in the preparation of the West Campus for redevelopment as a secure Federal facility by providing additional means of ingress/egress to the site. This will improve the traffic flow around the site and minimize the time delays entering and exiting the site during peak hours. At full capacity, as many as 14,000 Federal workers will be housed on site, and as many as 5,300 vehicles (including 640 spaces for visitors) will require access. This is a 3:1 parking ratio for employees and is the same as that being used by the District of Columbia at the Unified Communications Center on the East Campus. The proposed acquisition of land at Firth Sterling Avenue will provide necessary additional access for the U.S. Coast Guard's proposed relocation of approximately 4,000 employees.

U.S. General Services Administration
Federal Buildings Fund

FY 2009 Capital Program

DISTRICT OF COLUMBIA - continued

This request is for site acquisition (\$7,000 thousand). The balance of project funding (\$4,000 thousand) will be requested in a future fiscal year. The estimated total site acquisition cost is \$11,000 thousand.

MARYLAND

Montgomery County – FDA Consolidation \$78,532,000

The General Services Administration (GSA) requests funding to construct a new headquarters and laboratory facility for the Food and Drug Administration (FDA) at the White Oak Federal Center in White Oak, MD.

FDA is currently being consolidated in Maryland's Montgomery (White Oak) and Prince George's Counties. FDA has consolidated two centers in Prince George's County, occupying approximately 584,000 gross square feet (gsf) of space. The proposed White Oak facility will provide approximately 5.1 million gsf of consolidated office, laboratory, and parking space for FDA headquarters. The increase in office space and parking is from programmatic growth over the years and recent legislation that added additional functions to FDA. Construction of the White Oak facilities has been subdivided into six phases. They are:

- Phase I: Center for Drug Evaluation and Research (CDER) Lab
- Phase II: Center for Drug Evaluation and Research Office & Prescription Drug User Fee Act (PDUFA)
- Phase III: Center for Devices and Radiological Health (CDRH) & Medical Device User Fee & Modernization Act (MDUFMA)
- Phase IV: Center for Biological Evaluation and Research (CBER) &
- Phase V: Office of the Commissioner and Office of Regulatory Affairs (OC/OR)
- Phase VI: Center for Veterinary Medicine (CVM)

Since the September 11, 2001 terrorist attacks, Congress required that the proposed FDA consolidation include counter-terrorism support functions for Bio Terrorism. Additionally, FDA required office locations for the Centers for Veterinary Medicine (CVM) to be located at the White Oak facility. The Center for Drug Evaluation and Research (CDER) and the Center for Devices and Radiological Health (CDRH) were each tasked with a new program function. Through Public Law 107-188, CDER was tasked with implementing the Prescription Drug User Fee Act (PDUFA). Through Public Law 107-250, CDRH was tasked with implementing the Medical Device User Fee and Modernization Act (MDUFMA). In addition to FDA's programmatic growth, these new programs require staffing and space for operations. Since the support functions are analogous to the centers for biological sciences that are currently being consolidated at White Oak, they were incorporated into the development of the 130-acre White Oak Federal Center. This and future funding requests will help GSA and FDA meet the total facility requirements at White Oak on an incremental basis.

Prior Authority and Funding

Fiscal Year 1992	\$57,669,000
Fiscal Year 1994	73,921,000
Reprogramming from other construction project (1994)	6,000,000
Fiscal Year 1995	45,000,000
Rescission (P.L. 104-19)	(228,000,000)
Transfer (Seafood Research Facility, 1995)	(5,000,000)

MARYLAND – continued

Fiscal Year 1996	55,000,000
Fiscal Year 2000	35,000,000
Fiscal Year 2001	92,179,000
Fiscal Year 2002	19,060,000
Fiscal Year 2003	37,600,000
Fiscal Year 2004	42,000,000
Fiscal Year 2005	88,710,000
Fiscal Year 2006	127,600,000
Fiscal Year 2007	178,526,000
Fiscal Year 2008	<u>57,749,000</u>
Total	\$683,014,000

White Oak – Montgomery County, MD

Funding for fiscal year 2000 for the CDER Life Sciences Laboratory included design (\$2,120 thousand), construction (\$30,800 thousand), and management and inspection (\$2,080 thousand).

Funding for fiscal year 2001 included funds to complete construction (\$8,800 thousand) of the CDER Life Sciences Laboratory and funds for the CDER Office Building construction (\$83,379 thousand).

Funding for fiscal year 2002 included management and inspection costs (\$2,960 thousand) for the CDER Office Building, design (\$3,800 thousand) of the Center for Devices and Radiological Health (CDRH) laboratory, design (\$3,600 thousand) of the Central Shared Use facilities - Phase I, design (\$5,600 thousand) of the CDER Office Building, demolition and abatement (\$1,500 thousand) for Building One, and funds to complete the CDER Office Building construction (\$1,600 thousand).

Fiscal year 2003 funding included construction (\$26,000 thousand) of the Central Shared Use facilities - Phase I, construction (\$6,000 thousand) funds for converting the 3rd and 4th floors of the CDER Life Sciences Laboratory from office to laboratory space, construction (\$2,800 thousand) of the CDRH Laboratory foundation, and design (\$2,800 thousand) of the CDER Office Building expansion.

Fiscal year 2004 funding was provided for construction (\$42,000 thousand) of the CDRH Laboratory.

Fiscal year 2005 funding included the site acquisition (\$1,200 thousand) for road and bridge, design (\$5,500 thousand) for the road and bridge, CDRH office building, and Central Shared Use facilities, management and inspection costs (\$1,710 thousand) for Central Shared Use facilities and CDER Office Building, and construction (\$80,300 thousand) for partial costs of CDRH Laboratory, CDER Office Building expansion, Central Shared Use facilities, road and bridge, and parking garage.

*U.S. General Services Administration
Federal Buildings Fund*

FY 2009 Capital Program

MARYLAND – continued

Fiscal year 2006 funding of \$127,600 thousand included; Phase III funding for construction (\$3,724 thousand) of infrastructure (water/sewer/landscaping) for the north loop road which provides secondary access to the site, design (\$4,100 thousand) and construction (\$8,690 thousand) of infrastructure (water/sewer/landscaping) for the south loop road to the planned parking structure, management and inspection costs (\$7,100 thousand) for construction of CDRH Laboratory and Office Building, infrastructure for north and south loop roads, CDER Office Building expansion, Building One front entrance, and parking structure; construction (\$66,694 thousand) of CDRH Office Building; Phase IV funding for construction (\$20,766 thousand) of Central Shared Use facilities – Phase II; Phase V funding for design (\$6,900 thousand) of Office of the Commissioner (OC) and Office of Regulatory Affairs (ORA) office building, design (\$1,500 thousand) for renovation of Building One, and construction (\$8,126 thousand) of Building One front entrance and parking.

Fiscal year 2007 funding request of \$178,526 thousand included; Phase III funding for construction (\$2,595 thousand) of the northeast bridge, construction (\$3,218 thousand) of Central Shared Use facilities - Phase I fit-out, construction (\$10,693 thousand) of Central Shared Use facilities - Phase II fit-out, construction (\$3,218 thousand) of CDRH Laboratory high bay areas, and the design, management and inspection, and construction (\$9,340 thousand) of distribution tunnels from the Central Utility Plant; Phase V funding for design, management and inspection, and construction (\$17,827 thousand) of southeast parking structures, construction (\$7,268 thousand) of campus site infrastructure - Part 1, construction (\$28,653 thousand) of Building One renovation, construction (\$89,174 thousand) of OC and ORA office building, and management and inspection costs (\$6,540 thousand).

Fiscal year 2008 funding of \$57,749 thousand includes: Phase III funding for Data Center CSU I, design (\$1,000 thousand), construction (\$16,000 thousand) and management and inspection (\$500 thousand); Phase IV funding for CBER Labs design (\$11,005 thousand), CBER Bio Terror Office design (\$1,361 thousand), CBER Office design (\$5,025 thousand), and Southeast Parking Garage design (\$816 thousand); Phase V funding for Northeast Parking Garage design (\$1,067 thousand) and construction (\$14,938 thousand), Final Campus Site. Infra Part 2 for construction (\$3,656 thousand); Phase VI funding for CVM Office design (\$1,134 thousand) and miscellaneous design wrap-up (\$1,247 thousand).

The fiscal year 2009 funding request of \$78,532 thousand includes: Phase IV funding for management and inspection (\$3,353 thousand); Phase V funding for OC/OR A-2 design (\$1,678 thousand), OC/OR A-2 construction (\$51,076 thousand) and shell and standard energy infrastructure construction (\$12,000 thousand) – this funding completes Phase V; and Phase VI construction funding for infrastructure (\$10,425 thousand).

The estimated total project cost is \$1,147,537 thousand. Funding for the remaining project costs will be requested in future fiscal years.

NORTH DAKOTA

Portal – Land Port of Entry.....\$15,204,000

The General Services Administration (GSA) proposes the construction of a replacement Land Port of Entry (LPOE) facility at Portal, North Dakota. This request reflects increases in construction costs that exceed the funding available for the project.

The Portal, North Dakota inspection agencies have experienced significant growth in their operations and staff due to increased inspection demands, and require additional space and expanded facility inspection capabilities. The existing facility has become too small to accommodate agency personnel, functionally obsolete and deficient, and too deteriorated to adequately house the tenant's space and operational needs. It suffers from severe safety, security, and operational deficiencies. The existing station was constructed in 1932, has never been renovated, and consequently, its mechanical and electrical systems are operationally deficient, outmoded, and technically obsolete and can no longer adequately meet service requirements. GSA has determined that it would be more economically and technically feasible to build a new facility than modernize the existing one.

The proposed LPOE will provide a modern, efficient, technically capable, and secure facility to adequately accommodate the agencies' expanded space and operational needs. It will be situated on approximately seven acres of land, and will provide a technically modern main administration building, five non-commercial inspection lanes with attendant booths, a primary commercial inspection lane, a commercial secondary inspection building, a secondary inspection building, a hazardous materials containment building, a firing range, a border patrol building, a veterinary clinic building, a Vehicle and Cargo Inspection System equipment storage building, a 22-space official vehicle garage with GSA offices and a shop, and a 90-space employee and visitor parking lot.

GSA has completed site acquisition and design for this project and has attempted to award construction on two different occasions, both ending in bid-busts. Due to construction escalation and high construction costs for a remote location, this project will require additional construction funding. GSA will attempt to award construction of the main port, including five lanes and five booths, with the existing budget and pursue other required ancillary structures with the fiscal year 2009 request.

GSA is not proposing to change the original scope of the project. The project will be constructed as outlined in the original fiscal year 2005 approved budget request but the construction of the main port would occur separately from construction of the ancillary spaces due to insufficient funding.

Site acquisition (\$1,000 thousand) and design (\$1,953 thousand) were funded in fiscal years 2003 and 2005. The original construction (\$20,024 thousand) and management and inspection (\$1,575 thousand) were funded in fiscal year 2005. This request is for additional construction (\$13,904 thousand) and management and inspection (\$1,300 thousand). The estimated total project cost is \$39,756 thousand.

U.S. General Services Administration
Federal Buildings Fund

FY 2009 Capital Program

Repairs and Alterations

(Dollars in Thousands)

	Funded FY 2008 to Date Funding	Estimated Total Project Cost			FY 2009 Request				
		Design	Construction	M&J	TOTAL	Design	Construction	M&J	TOTAL
Nonprospectus (Basic) Repairs and Alterations.....	0	0	350,000	0	350,000	0	350,000	0	350,000
Limited Scope Program:									
Washington, DC, Eisenhower Executive Office Building - CBR.....	16,391	0	25,291	2,300	31,091	0	13,400	1,300	14,700
Washington, DC, West Wing Infrastructure Systems Replacement.....	0	0	144,271	12,416	172,621	0	70,271	6,216	76,487
Subtotal, Limited Scope Program	16,391	0	169,562	14,716	203,712	0	83,671	7,516	91,187
Full Scope Repairs and Alterations:									
Washington, DC, Eisenhower Executive Office Building - Phase III.....	8,447	121,204	146,337	21,950	180,726	0	46,478	4,597	51,075
Chicago, IL, Dirksen Courthouse.....	8,152	0	140,656	10,803	160,977	1,366	140,656	10,803	152,825
New Bern, NC, United States Post Office and Courthouse.....	1,279	0	9,601	1,039	11,919	0	9,601	1,039	10,640
Subtotal, Full Scope Repairs and Alterations.....	17,878	121,204	296,594	33,792	353,622	1,366	196,735	16,439	214,540
Design Program	0	0	0	0	0	0	0	0	0
Energy & Water Retrofit & Conservation Measures.....	0	0	100,000	0	100,000	0	36,647	0	36,647
Total, Repairs and Alterations Program.....	34,269	121,204	916,156	48,508	1,007,334	1,366	667,053	23,955	692,374

DISTRICT OF COLUMBIA

Eisenhower Executive Office Building - CBR.....\$14,700,000

The General Services Administration (GSA) requests the balance of funding to construct a specific portion of the Eisenhower Executive Office Building (EEOB) located at Pennsylvania Avenue and 17th Street, NW, Washington, DC as a safe harbor in the event of a Chemical, Biological or Radiological (CBR) attack.

The EEOB was constructed in 1888 and is on the National Register of Historic Places. This building functions as the principal support facility for White House operations, offering 691,783 gross square feet and 46 outside parking spaces. Currently, the building houses approximately 1,500 Executive Office of the President employees.

The proposed project will provide space within EEOB as a "safe harbor" in the event of a CBR attack on the building. The "safe harbor" areas will act as shelters in place for all building tenants for a period of time determined by the U.S. Secret Service to migrate to and remain in case of an event. The modernization project did not originally envision the need for protection against CBR attacks. The Executive Office of the President and the Office of the Administration has requested that GSA provide protection against the threat of a CBR attack given the high profile location and personnel in the building. The modernization will include providing space within the building for such purposes.

Phase I of the CBR system implementation is currently underway and is within the State Place Wing portion (Phase II) of the EEOB modernization. GSA will commence with Phase II of the system implementation of the CBR during the Pennsylvania Avenue Wing portion (Phase III) of the EEOB modernization.

Design (\$3,500 thousand) was funded in fiscal year 2006. Phase I construction (\$11,891 thousand) and management and inspection (\$1,000 thousand) were funded in fiscal year 2007. This request is for Phase II construction (\$13,400 thousand) and management and inspection (\$1,300 thousand). The estimated total project cost is \$31,091 thousand.

Eisenhower Executive Office Building - Phase III.....\$51,075,000

The General Services Administration (GSA) proposes repair and alteration of the Eisenhower Executive Office Building (EEOB) located at Pennsylvania Avenue and 17th Street, NW, Washington, DC. This request is for additional funding for design and construction for the modernization of Phase III, the Pennsylvania Avenue Wing (Northeast Quadrant - approximately 237,000 gross square feet (gsf)) which will complete the modernization of the entire building.

The EEOB, completed in 1888, is on the National Register of Historic Places. Functioning as the principal support facility within the White House complex, this building contains 691,783 gsf along with 46 outside parking spaces.

EEOB is a highly ornate and historic building. Constructed before air-conditioning was invented, the building has never been unoccupied long enough to allow installation of a central air-conditioning system. There are no existing concealed pathways to allow installation of modern HVAC, electrical, telecommunication, plumbing or sprinkler distribution systems without changing the look of the ornately-decorated historic ceilings, or stealing space from existing chases to create risers. Overall, the outdated engineering systems adversely affect tenant comfort and productivity, building operations, and energy efficiency.

The EEOB project was originally developed as a security project for the 17th Street Wing because one-third of the building was vacated for security reasons after the September 11th terrorist attacks. Over time, the scope of the project increased to fully modernize the 17th Street Wing. As the project has evolved, GSA realized it would be the only opportunity when ample vacant space would be available in the building to modernize the balance of the building in three sequential phases.

FY 2009 Capital Program

DISTRICT OF COLUMBIA - continued

The proposed project will modernize the Northeast Quadrant (Pennsylvania Avenue Wing) of EEOB and deliver a restored building that meets current standards for power, telecommunications, comfort, and safety. Proposed construction will start after tenants vacate the Northeast Quadrant and backfill the newly modernized Southeast Quadrant (State Place Wing) of the building. The project will completely modernize the interior spaces while providing a complete update to the mechanical, electrical, and plumbing systems throughout the Northeast Quadrant. Exterior construction will include cleaning the exterior, re-pointing the masonry, and creating an Americans with Disabilities Act (ADA) compliant entrance.

A central HVAC system will be implemented and new windows and doors with blast and ballistic protection will be installed. The project will also provide a new telecommunication and cabling system and an interior security system that includes an emergency notification system, intrusion detection system, access controls, and a video assessment system. The existing fire alarm and sprinkler systems will be upgraded and hazardous material abatement and containment will be performed where necessary.

Design (\$8,447 thousand) was funded in fiscal year 2007. Additional design (\$3,992 thousand), partial construction (\$99,859 thousand) and partial management and inspection (\$17,353 thousand) were funded in fiscal year 2008. This request is for the balance of construction (\$46,478 thousand) and management and inspection (\$4,597 thousand). The estimated total project cost is \$180,726 thousand.

West Wing Infrastructure Systems Replacement.....\$76,487,000

The General Services Administration (GSA) proposes repair and alteration of the West Wing of the White House located at 1600 Pennsylvania Avenue, NW, Washington, DC. The proposed project will replace the West Wing's outdated primary utility services, select equipment and facilities, and the secondary distribution throughout the interior of the West Wing.

A study of the electrical and mechanical systems of the West Wing was recently completed and the findings are that there is critical need for immediate replacement of the aged and failing systems to prevent imminent equipment failure and the resultant interruption of services. There is currently no spare or redundant HVAC equipment for the West Wing preventing shutdown for testing and maintenance of the equipment for many years. In addition to the HVAC equipment, the West Wing electrical systems have reached the end of their reliable productivity and would result in discontinued operations should they fail.

In order to secure continuous, reliable service to the West Wing, GSA proposes replacing all primary HVAC and electrical systems in Phase I. Phase II will upgrade the secondary distribution systems that serve the interior of the West Wing. The proposed total project includes the construction of new mechanical and electrical rooms to support new services, including fire suppression and detection systems, HVAC systems, electrical services equipment and wiring, fire and life safety upgrades, a physical security system, and fiber optic IT systems. The construction of a new, accessible utility pathway allowing for the service and maintenance of the systems and select structural and architectural restoration of areas that are disturbed in the systems replacement will also be included. All utility services will be rerouted to allow GSA the necessary access to operate, maintain, and repair infrastructure, services and equipment as required.

Design (\$9,689 thousand) of Phase I was requested in a fiscal year 2008 reprogramming action. This request is for Phase I construction (\$70,271 thousand) and management and inspection (\$6,216 thousand).

Phase II design (\$6,245 thousand), construction (\$74,000 thousand) and management and inspection (\$6,200 thousand) will be requested in a future fiscal year. The estimated total project cost is \$172,621 thousand.

ILLINOIS

Chicago - Dirksen Courthouse.....\$152,825,000

The General Services Administration (GSA) proposes to renovate the 44-year old Everett McKinley Dirksen Courthouse. The 30-story high-rise courthouse is part of a Federal office complex located at 219 S. Dearborn Street in Chicago, IL.

The Everett McKinley Dirksen Courthouse was built in 1964 and is constructed of structural steel frames, clad with metal and glass façade. The courthouse serves as the headquarters for the Northern District of Illinois and the U.S. Court of Appeals for the Seventh Circuit, and houses 967 Federal employees in Chicago's Central Business District. The high-rise courthouse is 1,462,472 gross square feet with 1,206,345 of rentable space and 116 inside parking spaces. The Dirksen Courthouse contributes to the distinguished history of skyscraper construction in Chicago and was the first of Mies van der Rohe's urban, mixed land-use projects. As a result, the courthouse has been determined eligible for listing on the National Register of Historic Places.

The proposed project will modernize building systems and renovate interior space. In addition to replacing the HVAC system, a piped condensate drainage system will be added. Failing roof drains and piping systems will also be replaced.

All remaining restroom facilities not yet renovated under prior projects will be completed with upgraded lighting, replacement of old plumbing fixtures, updated finishes, and reconfigured to comply with ADA accessibility requirements. The existing obsolete fire alarm system will also be replaced. An additional emergency power generator will be installed to support critical life-safety systems. Complete asbestos abatement will be completed on the ninth and tenth floors and partially on the eighth floor. Spot abatement will be completed throughout the building including the asbestos removal of flooring tiles in the mechanical room.

Design (\$8,152 thousand) was funded in fiscal year 2005. This request is for additional design (\$1,366 thousand), construction (\$140,656 thousand) and management and inspection (\$10,803 thousand). The estimated total project cost is \$160,977 thousand.

NORTH CAROLINA

New Bern - U.S. Post Office and Courthouse.....\$10,640,000

The General Services Administration (GSA) proposes to modernize the U.S. Post Office and Courthouse located at 413 Middle Street, New Bern, NC. Completion of the proposed project for the Post Office and Courthouse, a building with historical significance to the community, is to coincide with the planned celebration of New Bern's 300th anniversary.

The Georgian Revival style U.S. Post Office and Courthouse in New Bern, NC was constructed between 1933 and 1935 and has 36,720 rentable square feet of space. The building was listed on the National Register of Historic Places in 1973 as a contributing resource in the New Bern Historic District. GSA acquired this building from the U.S. Postal Service in mid-2004. The building has deferred maintenance, thus some repair and modernization work is required for the tenants to be housed here enabling them to carry out their mission.

The proposed project will consist of landscaping, upgrading and restoring the entrance lobby including the Court

*U.S. General Services Administration
Federal Buildings Fund*

FY 2009 Capital Program

NORTH CAROLINA - continued

Security Officers station, and upgrading restrooms with new plumbing and additional items to meet ADA accessibility requirements. Interior alterations will include partitions and finishes, holding cells, a sally port, two new secure elevators and replacement of the public elevator. A fire sprinkler and fire alarm system will also be installed. Building exterior work will include restoring the façade, repairing and replacing portions of the roof, and upgrading the historic windows in the courtroom and U.S. Marshals space for blast mitigation. New HVAC ductwork and air handling units will be installed in the basement and first floor. Emergency power capacity will be added, as well as new lighting controls and new wiring. This project also includes a new public address system, restoration of the historic lighting fixtures, and asbestos abatement.

Design (\$1,279 thousand) was funded in fiscal year 2007. This request is for construction (\$9,601 thousand) and management and inspection (\$1,039 thousand). The estimated total project cost is \$11,919 thousand.

NATIONWIDE

Energy and Water Retrofit and Conservation Measures.....\$36,647,000

The General Services Administration (GSA) proposes the implementation of energy and water retrofit and conservation measures in Government-owned buildings during fiscal year 2009. GSA requests funding for energy and water retrofit work which will fund a diverse set of retrofit projects with engineering solutions to reduce energy or water consumption and/or costs.

The Energy Policy Act of 2005 (Public Law 109-58) requires a 2 percent energy usage reduction as measured in BTU/GSF per year from 2006 through 2015 over a 2003 baseline. Additionally, this law requires GSA to audit 25% of its top 75% energy consuming buildings every year and complete all energy conservation opportunities identified within two years. These funds will contribute to accomplishing this requirement. The Energy Policy Act of 2005 also sets a mandate to install advanced meters for electricity in all buildings by 2012.

Guidance issued by the Department of Energy pursuant to this requirement states that savings anticipated from advanced metering can range from 2 percent to 45 percent annually when used in combination with continuous commissioning efforts. Executive Order 13423 on Strengthening Environmental, Energy and Transportation Management not only increased the energy reduction mandates to 3 percent per year, but also established a water reduction mandate of 2 percent per year based on a 2007 baseline as measured in gallons/gsf.

By the year 2015, all Federal agencies are directed to reduce overall energy use in Federal buildings they operate by 30 percent from 2003 levels and reduce overall water use by 16 percent from 2007 levels. Increased energy and water efficiency in buildings and operations will require capital investment for changes and modifications to physical systems which consume energy and water.

In addition, the Energy Independence and Security Act of 2007 includes provisions that exceed the requirements of the Energy Policy Act of 2005. One such long term requirement is to eliminate fossil fuel generated energy consumption in new and renovated Federal buildings by FY 2030 by achieving targeted reductions beginning with projects designed in FY 2010. Other shorter term measures include increased use of energy efficient lighting, use of heat pumps in GSA facilities, and other measures that impact acquisition of new or newly-renovated space.

Potential projects to be accomplished in Federal buildings throughout the country are currently being identified through surveys and studies. The projects to be funded will have positive savings-to-investment ratios, will provide reasonable payback periods, and may generate rebates and savings from utility companies and incentives from grid operators. Projects will vary in size by location and by delivery method. Typical projects include the following:

NATIONWIDE - continued

- Upgrading heating, ventilating, and air-conditioning (HVAC) systems with new high efficiency systems including the installation of energy management control systems
- Altering constant volume air distribution systems to variable air flow systems by the addition of variable air flow boxes, fan volume control dampers, and related climatic controls
- Installing building automation control systems such as night setback thermostats and time clocks to control HVAC systems
- Installing new or modifying existing temperature control systems
- Replacing electrical motors with multi-speed or variable-speed motors
- Installing automatic occupancy light controls, lighting fixture modifications and associated wiring to reduce the electrical consumption per square foot through the use of higher efficiency lamps and use of non-uniform task lighting design
- Insulating roofs, pipes, HVAC duct work, and mechanical equipment
- Installing and caulking storm windows and doors to prevent the passage of air and moisture through the building envelope
- Advanced Metering projects which enable building managers to better monitor and optimize energy performance
- Water conservation projects
- Renewable projects including photovoltaic systems, solar hot water systems, wind turbines, and geothermal systems
- Installing distributed generation systems

This request is for GSA requirements in fiscal year 2009. GSA will submit additional requests for this program in future fiscal years.

OTHER ACTIVITIES

BASIC REPAIRS AND ALTERATIONS PROJECTS UNDER \$2,800,000.....\$350,000,000

Funds in the amount of \$350,000 thousand are requested for all nonrecurring repairs and alterations projects where obligations at a single location within a fiscal year are above \$10 thousand, but are under the prospectus threshold of approximately \$2,800 thousand. Projects included in this category are generally short-term in nature and funds can normally be obligated within a one-year period. This category also includes projects that are recurring in nature, such as cyclic painting and the minor repair of defective building systems, (e.g. mechanical, plumbing, electrical, fire safety, and elevator system components). After initial build-out, any post-government occupancy alterations in leased space require a prospectus when the estimated cost of the project exceeds the prospectus threshold of approximately \$1,400 thousand for alterations in leased space.

The basic (non-line item) repairs and alterations program is the source of funds to ensure the operational continuity of the 1,513 plus buildings owned by the General Services Administration. These buildings provide over 172 million rentable square feet of space to support tenant agency mission requirements. The building inventory averages approximately 45 years of age and requires constant attention and significant funding to repair systems, improve health and safety features, alter space, and accomplish special emphasis programs. Without adequate reinvestment in the building inventory, its condition will deteriorate and service delivery to customers will degrade. In addition, the taxpayers' investment in these properties will not be adequately protected resulting in more costly corrective actions in the future. The line-item repairs and alterations program only addresses approximately 10-15 buildings per year, thus the basic program is extremely important in keeping the rest of the inventory functioning pending a modernization project on a 20-25 year cycle.

The amount provided for the basic program may also be used to pay claims against the government arising from any projects under the heading "Repairs and Alterations."

Program Description, Public Buildings Service

The mission of GSA's Public Buildings Service (PBS) is to provide superior workplace solutions for the Federal worker and superior value to the American taxpayer. PBS is responsible for servicing the workspace requirements for 58 different Federal agencies, with total inventory of over 347 million square feet of workspace for over a million Federal employees in 2,000 American communities. The inventory is comprised of over 1,500 government-owned buildings -- approximately 50 percent of GSA's total inventory. The remaining 50 percent is comprised of privately owned leased facilities.

Through the internationally recognized Design and Construction Excellence programs, PBS engages the best private sector architects, construction managers, and engineers to design and build award-winning courthouses, land ports of entry, Federal office buildings, laboratories, and data processing centers. PBS also repairs, alters, and renovates existing facilities. PBS is responsible for the disposal of property not only for GSA, but for other government agencies (see Policy and Operations). PBS is a leader in energy conservation, sustainability, recycling, and historic preservation, which includes maintaining over 400 historic properties in the Federal government's inventory.

New Construction

PBS new construction requests are formulated based on surveys of the housing needs of tenant agencies and the availability of Federal housing in communities nationwide. New construction is the preferred option to meet new or unique space needs, replace antiquated facilities, or consolidate agencies with long-term requirements when ownership is the lowest-cost solution. GSA contracts with architectural/engineering firms to design projects and general contractors to construct Federal buildings. PBS benchmarks construction project budgets against other similar projects and external data sources. PBS is committed to constructing and maintaining a modern portfolio of assets that meet the needs of Federal agencies while advancing GSA's commitment to fiscal responsibility, environmental stewardship, and the goals of our customers.

New Construction Summary

(Dollars in Thousands)

FY 2007	FY 2008	FY 2009
\$648,302	\$531,448	\$620,119

Program Request

(Dollars in Thousands)

- \$409,922 for two agency consolidation projects
- \$74,114 for two land ports of entry
- \$110,362 for one courthouse
- \$25,721 for general infrastructure and development

Strategic Direction

The New Construction program has a clear purpose – to deliver high performance workplaces demonstrating quality, design and construction excellence, and on-schedule and on-budget project delivery.

The program is first and foremost a program of technical design and construction knowledge. All architectural and engineering efforts are focused on developing improved environments for Federal agencies. Moreover, the Office of the Chief Architect (OCA) must continuously improve its core capabilities of design, construction, architecture, engineering, and project management, as well as keep current on issues and innovations in related industries.

Achieving GSA's fiscal and performance goals enables GSA to meet important social and environmental goals, such as constructing sustainable and Leadership in Energy and Environmental Design (LEED) certified buildings, improving energy efficiency, and reducing operational and maintenance costs throughout the Federal portfolio.

The top priority for PBS's New Construction program is delivering projects within the agreed upon scope, schedule, and budget. This is an essential component of PBS's overall mission to provide the highest possible quality buildings at the best value to the U.S. taxpayer.

The primary concern for the New Construction program is on-time, on-budget capital project delivery. Project status is being closely monitored throughout design and construction to identify and correct problems in a timely manner. For projects over \$25 million, project evaluations by industry peers are scheduled at 15%, 60% and 100% of completion. In addition, an earned value performance measurement tool has been developed and implemented, which compares a project's construction schedule and outlays to industry standards, and reports variances of planned against actual for both schedule and budget measures.

To improve the quality of construction documents, PBS has implemented a quality assurance and control program for architectural/engineering (A/E) documents. This initiative has facilitated the recognition of mistakes earlier in the life of a project. PBS is continuing pre-project planning and the use of the Project Definition Rating Index (PDRI). The PDRI is an analytical tool used to identify whether a project has been sufficiently developed to merit submission for funding.

PBS uses independent government cost estimates throughout the new construction process. However, ongoing unstable construction market conditions continue to affect PBS's ability to execute projects on time and within budget. PBS is working with the construction industry to evaluate the volatility of costs in local markets where major projects are planned to assess the validity of cost estimate assumptions. Actual construction costs are being compared to design cost estimates for specific projects to assist in the development of a more accurate estimating process.

Strategy and Action Plan – New Construction

Long-Term Outcome Goals:

1. GSA will execute the New Construction program on the schedule committed to our customers 90% of the time by FY 2010.
2. Reduce average cycle time on new courthouse construction projects to 2,800 days or less by FY 2019.
3. Improve the operational and maintenance efficiency of GSA buildings by independently verifying newly constructed buildings for achievement of established operational requirements within eighteen months of substantial construction completion.
4. Register 100% of the New Construction program for Leadership in Energy and Environmental Design (LEED) in the same fiscal year design funding is authorized and certify 75% of the New Construction program for LEED within 18 months of substantial construction completion.

Strategies:

- a. Refine pre-project planning activities and ensure that appropriate procurement and delivery methods are selected for project development efforts in early pre-project planning phases – to improve program cost and schedule performance.

- b. Increase risk management and cost avoidance activities to reduce the number and magnitude of cost and time impacts on capital construction projects and to improve financial performance.
- c. Enhance tools, resources and business practices to support the capital construction program and to improve program execution activities.
- d. Support development of greater skills and competencies for project managers to improve the construction program business line's core capabilities in architecture, design, construction, engineering and project management.
- e. Continue to use performance metrics and the Project Information Portal in providing oversight of project and program progress. Apply innovative techniques and strategies to improve individual project performance to ensure delivery of projects on schedule, on budget, and within scope.

Action Plan and Performance – New Construction

The FY 2009 action items and initiatives proposed by the Office of the Chief Architect are designed to support the improved successful delivery of quality projects on time and within budget constraints.

1. **Refine pre-project planning activities and ensure that appropriate procurement and delivery methods are selected for project development efforts in early pre-project planning phases – to improve program cost and schedule performance.**

PBS will define customer and program requirements more effectively, develop detailed schedule projections and project cost estimates, and identify and mitigate project risks prior to the selection of procurement and delivery methods to limit changes in project scope.

2. **Increase risk management and cost avoidance activities to reduce the number and magnitude of cost and time impacts on capital construction projects and to improve financial performance.**

GSA will take measures to effectively analyze project cost impacts and causes of contractor financial claims and will identify risk management and cost avoidance strategies, as well as business process improvements to reduce the number and magnitude of cost and time impacts on projects. PBS will improve current practices for capturing contractors' past performance data and increase the use of this data in A/E selections.

3. **Enhance tools, resources and business practices to support the capital construction program and to improve program execution activities.**

PBS will consolidate existing tools and documents required for project managers to improve the efficiency of the program. It will also continue to develop new tools, evaluate existing business processes, identify improvements, and implement enhancements to improve project delivery.

4. **Support development of greater skills and competencies for project managers to improve the construction program business line's core capabilities in architecture, design, construction, engineering and project management.**

PBS will continue to improve the delivery of capital construction projects through increased training opportunities for program and project managers. PBS is also conducting skill assessments and is developing core competencies and a standard national curriculum for project managers.

5. **Continue to use performance metrics and the Project Information Portal in providing oversight of project and program progress. Apply innovative techniques and strategies to improve individual project performance to ensure delivery of projects on schedule, on budget, and within scope.**

To ensure that the capital construction program takes advantage of best industry practices, PBS is benchmarking its organizational structure against private and public organizations. Based upon the results of the study, PBS will identify and implement business practice improvements and organizational structure changes that will enhance program delivery.

Impact on Performance: With the implementation of these strategies and initiatives, PBS expects to see improvement in the skill sets of its project managers and its processes that will result in a higher percentage of projects being delivered on time, within scope, and within budget.

PART Status for New Construction

As part of New Construction's PART, PBS developed long-term outcome and efficiency measures for the capital construction program to assist PBS in the development of business process improvements and contribute to greater successes in on-time and on-budget delivery of the capital construction program. Over time, these goals will drive improved performance and enable PBS to maintain and advance design and construction excellence while providing value to the American taxpayer and GSA's customers – by attaining planned cost and schedule targets. PBS's primary goal for implementation of the capital construction program is to achieve design and construction excellence while delivering the highest quality projects on schedule, on budget, and within scope.

Even with an "Effective" rating of 95 percent on the 2005 OMB PART, OCA continues to face challenges in its program delivery efforts, including unstable market conditions and customer budgetary constraints, which PBS continues to address. PBS also intends to review the organizational structure of the capital construction program and analyze the Central Office (CO) and regional office structures for delivering projects, in order to identify opportunities for improved collaboration and cooperation as well as continued sharing of good practices and lessons learned. This program is scheduled to be reassessed in FY 2009.

Leasing

The Leasing program, managed by the Office of National Customer Services Management (ONCSM), is responsible for acquiring and administering leasehold interests when client space requirements cannot be met with available Federal space and new construction is not merited for the requirement. Over the last 40 years, PBS leased square footage has more than tripled, growing from less than 50 million square feet in 1965 to over 175 million square feet in 2007, located in approximately 7,465 locations across the United States and its territories. The Leasing program provides the flexibility required to meet the dynamic housing needs of customer agencies and for managing the PBS portfolio and temporary space to allow renovations, consolidations and other strategic realignments within agencies housed in Government-owned space.

Rental of Space Summary

(Dollars in Thousands)

FY 2007 ¹	FY 2008 ¹	FY 2009 ²
\$4,355,486	\$4,630,315	\$4,692,156

¹ Includes indefinite authority for leased space

² Does not include indefinite authority for leased space

Program Request

(Dollars in Thousands)

- \$4,513,439 for annual rent for leases in the inventory at the beginning of the fiscal year
- \$121,521 for annual tax payments, and one-time payments such as claims and buyouts
- \$53,756 for rent increases, usually associated with expiring leases
- (\$20,264) for cancellations, the amount of space leaving the inventory
- \$23,704 for expansions. This is the amount of space entering the inventory for temporary leases in support of major repair and alteration projects and relocations due to forced moves or health and safety conditions.

Rentable Square Feet (RSF) in Thousands: 187,563

- A 3.2 percent increase in RSF is projected
- Expansion 8,067 RSF
- Cancellation (2,226) RSF
- Net increase 5,841 RSF

*U.S. General Services Administration
Federal Buildings Fund*

Rental of Space, Explanation of Changes

(Dollars in Thousands)

	New Obligational Authority (NOA)
Fiscal Year 2008 Program	4,315,534
Full year cost of Lease Expansions acquired through IA in FY 2007	130,582
Part year cost of Lease Expansions acquired through IA in FY 2008	<u>184,199</u>
Fiscal Year 2008 Current	4,630,315
Unobligated balance carryover to FY 2008	105,288
Part year cost of Lease Expansions acquired through IA in FY 2008	(184,199)
Annualization of remaining FY 2008 program changes	<u>(37,965)</u>
Fiscal Year 2009 Base	4,513,439
Rental Rate Increases	53,756
Lump Sum Payments for real estate taxes and lease buyouts	121,521
Lease Cancellations	(20,264)
Full year cost of Lease Expansions acquired through IA in FY 2008	[303,463]
Part year cost of Lease Expansions acquired through IA in FY 2009	[122,434]
Lease Expansions (other than indefinite)	<u>23,704</u>
Fiscal Year 2009 Request	4,692,156

NOTE: The FY 2009 request excludes lease expansions acquired through Indefinite Authority (IA). Amounts reflected in brackets are projections not included in budget totals.

Rental of Space, Explanation of Changes by RSF

(Dollars and Rentable Square Feet in Thousands)

	FY 2007 Actual		FY 2008 Current		FY 2009 Request	
	RSF	obligations	RSF	obligations	RSF	obligations
Prior-Year Cost	172,045	\$4,128,216	175,428	\$4,375,978	181,722	\$4,735,603
Annualization of Rental Increases	[162,875]	69,039	[168,160]	96,324	[170,305]	62,829
Lump Sum - Real Estate Taxes; Lease Buyouts	-	(71,022)	0	(95,199)	0	(111,751)
Annualization of Lease Cancellations	[-4,206]	(27,043)	[-3,921]	(33,715)	[-5,123]	(11,038)
Annualization of Lease Expansion - Indefinite	[5,824]	46,792	[5,788]	19,994	[10,300]	[119,264]
Lease Expansion acquired in FY 2008	-	-	0	0	0	(184,199)
Annualization of Lease Expansion - All Other	[3,346]	31,323	[1,516]	27,643	[1,117]	21,995
Adjusted Base	172,045	\$4,177,305	175,428	\$4,391,025	181,722	\$4,513,439
Current Year Cost of Rental Increases	[168,160]	45,148	[170,305]	123,809	[179,231]	53,756
Lump Sum - Real Estate Taxes; Lease Buyouts	-	95,199	0	111,751	0	121,521
Current Year Cost of Lease Cancellations	(3,921)	(65,149)	(5,123)	(91,730)	(2,226)	(20,264)
Current Year Cost of Lease Expansion - Indefinite	5,788	110,588	10,300	184,199	7,096	[122,434]
Current Year Cost of Lease Expansion - All Other	1,516	12,887	1,117	16,549	971	23,704
Current Year Cost	175,428	\$4,375,978	181,722	\$4,735,603	187,563	\$4,692,156
Additional Information:						
New Obligational Authority (NOA)		\$4,067,881		\$4,315,534		\$4,692,156
Indefinite Authority for Leased Expansion Space		287,605		314,781		[425,897]
Total, Current Year Authority		\$4,355,486		\$4,630,315		\$4,692,156
Obligations (-)		(4,375,978)		(4,735,603)		(4,692,156)
Prior Year Balances/Recoveries (+)		125,780		105,288		0
Unobligated Balances		\$105,288		\$0		\$0

NOTE: Bracketed numbers are projections not included in budget totals; projected increase in FY 2009 Indefinite Authority is associated with new leases to accommodate the 2010 Census.

Rental of Space, Delegation Obligations

(Dollars in Thousands)

Agency:	FY 2007 Actual	FY 2008 Current	FY 2009 Request
Department of Commerce.....	\$44,197	\$43,793	\$46,763
Department of Defense.....	<u>113,251</u>	<u>116,207</u>	<u>116,597</u>
Total.....	\$157,448	\$160,000	\$163,360

The obligations reflected here are part of the Administrative Contracting Officer (ACO) Delegation Program. Currently, only two agencies have this ACO authority and it is not anticipated that any additional lease administration delegations will be granted. Delegated agencies bear the primary responsibility for making rental payments to lessors in accordance with the provisions of the delegation agreements.

Strategic Direction – Leasing

The Leasing program has a clear purpose and mission: *Help Federal agencies better serve the public by offering superior workplaces at best value.* In order to meet changing customer needs, PBS has refocused its core value proposition from being a “provider of space” to being a “workplace solutions provider” with a customer-centric focus. The primary goals of the Leasing program are to provide solutions to meet customers’ workplace needs in a manner that responds to changing missions, security concerns, and the technological needs of the 21st century. Strategies include addressing advanced customer requirements development, project delivery and customer demand forecasting, increasing competition through earlier procurement starts, using published market sources for sub-market information and partnering with the private sector for brokerage services. Data integrity is critical to ensuring rent bills are accurate, providing consistent financial data for program administration, and satisfying customer requirements.

The top priority for the Leasing program is to continue the partnership established with commercial brokers through expanded use of the National Broker Contract (NBC) to allow GSA to leverage the size of the leased inventory and take advantage of economies of scale. The NBC assists the realty specialist community by allowing PBS to address workforce capacity issues, enabling realty specialists to focus more on project management, and providing a higher level of customer service and satisfaction.

PBS is addressing the critical issue of improving relationships with major customers through implementation of the Transaction Management Playbook. As part of this strategy, PBS has completed a skill assessment of the leasing workforce. The data from these skill assessments will be used to develop recruitment, outsourcing, and training strategies focused on reducing skill gaps throughout the Leasing program.

Strategy and Action Plan – Leasing

Long-term Outcome Goal:

1. By FY 2010, the Leasing program will deliver new leases at 9.5% below the industry average cost for office space, and deliver the space when the customer needs it 90% of the time or better.
2. By FY 2010, the Leasing program will receive satisfied tenant customer satisfaction scores (4's and 5's) 80% of the time and will incorporate the results of Lease Tiering into customer strategic planning where market data is available.

Strategies:

- a. Concentrate on customer relationships and address agencies' budgetary concerns regarding rent and fees.
- b. Integrate expanded requirements development techniques and methodologies into National Account strategies to proactively define customer needs, improve acquisition planning by customer agencies and GSA and partner with FAS to build a ONE GSA relationship with customers.
- c. Apply a consistent look and feel to PBS customer relationship management and transactions across the regions for our customers and business partners (brokers) through the use of e-Initiatives and Tools and HCAM initiatives to support program efforts and provide consistency.
- d. Manage the NBC to derive full value from our broker partners as our realty associates fulfill the role of "workplace solutions providers" with a customer-centric focus.
- e. Maintain a strong national Realty Program.
- f. Perform workforce planning, recruitment and training to ensure that PBS has the adequate level of staffing with the appropriate skills to handle the leasing workload while developing and delivering workplace solutions that allow PBS to become a trusted advisor.
- g. Implement a centralized Leasing Delegations Oversight Program.

Action Plan and Performance – Leasing

PBS has identified five key areas of focus for FY 2009 to improve the effectiveness of the Leasing program.

1. **Concentrate on customer relationships and address agencies' budgetary concerns regarding rent and fees**

Maintain strategic Customer Business Plans for major customers, update annually to incorporate relevant information, and meet regularly with customers to allow account managers to advise customer agencies on identified consolidated leasing opportunities and spikes in space requirements in concert with beneficial market conditions. Use customer relationship management technology to facilitate improved customer communications through intelligence and shared information. Maintain and expand National Account Director/Regional Account Manager high level contact with our customers to facilitate communication and resolution of issues.

2. **Integrate expanded requirements development techniques and methodologies into National Account strategies to proactively define customer needs, improve acquisition planning by customer agencies and GSA and partner with FAS to build a ONE GSA relationship with customers**

Put key Workplace 20.20 tools and learning into the hands of those who deal with clients' real estate challenges every day through Program of Requirements (POR+). PBS has developed processes and tools and is running pilot programs in four regions. Full-scale training will occur in FY 2008, with implementation scheduled for the latter part of FY 2008. POR+ will be embedded in the Transaction Management Playbook, which is being used to enhance the requirements development process and to address inconsistent transactional business processes between regions.

3. **Apply a consistent look and feel to PBS customer relationship management and transactions across the regions for our customers and business partners (brokers) through the use of eInitiatives and Tools and HCAM initiatives to support program efforts and provide consistency**

Enhance the PBS Customer Profile System (CPS) to incorporate the business and functionality requirements that were captured for the cancelled GSA ECRM program and provide the required Account Management information technology platform (eAMP), that will allow us to respond appropriately to customer agencies through the management of contact, opportunity, activity and document management and reporting.

Continue to focus on business process automation through eLease enhancements. eLease Budget Module 1.5, which allows realty specialists to establish an accrual against future rental obligations to landlords, was rolled out and provides assistance in budgeting by automating the logic required to determine whether funding is earmarked as NOA or Indefinite Authority (IA). Develop eTMP 3.0 to incorporate the Account Management Program automated tools developed for POR+ (eAMP). The eAMP information technology platform will allow us to respond appropriately to customer agencies through the management of contact, opportunity, activity and document management and reporting.

4. Manage the NBC to derive full value from our broker partners as our realty associates fulfill the role of “workplace solutions providers” with a customer-centric focus.

Continue to evaluate outsourcing opportunities to enhance and improve our business processes. Ensure that project managers maintain tight monitoring and control over the contractor’s negotiations through the implementation’s controls for oversight and follow-up. Continue quarterly Peer Reviews and Performance Evaluation Board (PEB) meetings and feedback for developing and sharing best practices. Recruit and train an adequate number of Warranted Contracting Officers to be NBC project managers.

5. Maintain a strong National Realty Program

Customize Solicitation for Offer (SFO) language to modify technical sections as required for security, fire safety, cabling, pricing and national and local codes as changes occur. Customer-specific SFO’s have been developed for FBI and TSA and customized SFO’s are being developed for SSA and for new construction procurements. Additional customized SFO’s will be developed for agencies as needs are identified through Account Management strategies.

Issue Realty Service Letters (RSL’s) to clarify national policy and provide guidance and direction to the realty community that reflects new laws, regulations, executive orders and mandates and maintain the RSL library. Current RSL’s under construction include Sustainable Design, Leasing Delegations Approval and Oversight; FEMA/Disaster Leasing Procedures, Historic Preference Clarification, HSPD 12 and Revisions to the Scoring Process.

6. Perform adequate workforce planning, recruitment and training to ensure that PBS has the adequate level of staffing with the appropriate skills to handle the leasing workload while developing and delivering workplace solutions that allow PBS to become a trusted advisor

Develop targeted training for identified skill and program deficiencies. Promote accountability for acquisition decision making and support the GSA Strategic Management for Acquisition principles by strengthening acquisition activities to ensure compliance with applicable laws, regulations and policies.

Participate in the development of OCAO Warrant Program (COWP) courses and additional courses as needed to reflect changing business practices for Contract Procurement and Management. Maintain and update PBS leasing warrant certification and training required for NBC key personnel acting as Contracting Officer’s Technical Representatives.

7. Implement a centralized Leasing Delegations Oversight Program

Expand customer awareness of contracting requirements and responsibilities in lease acquisition delegations and show the value of PBS’s contracting expertise. Publish revised FMR Bulletin to agencies with new guidelines on lease delegations and issue “Leasing Delegations Approval and Oversight”. RSL to instruct personnel on the revised delegations oversight process.

Impact on Performance: By focusing on customer account management and addressing advanced customer requirements development, project delivery and customer demand forecasting, the Leasing program will be well positioned to meet changing customer demands.

PART Status for Leasing

In FY 2005, OMB raised the Leasing program PART rating to “moderately effective.” Three follow-up actions were identified and completed: 1. Study the PBS fee structure and incorporate results with the FY08 rent estimate submission; 2. Commissioning regular, independent reviews to assess program performance and its effectiveness in achieving results; and 3. Review the Lease Acquisition Delegation Program, including internal guidance, agency consistency check, and the Office of Governmentwide Policy’s (OGP) oversight role. The program is scheduled to be reassessed again in FY 2008.

Asset Management

The purpose of the Asset Management program is to provide quality workplaces and enhance the asset value of our real estate portfolio for the benefit of the American taxpayer. PBS accomplishes this by analyzing current and historical asset performance in an effort to develop and implement strategies and processes aimed at targeted reinvestment in the existing inventory, efficient operation of buildings, and disposal of unneeded assets. These strategies are funded by the **Repairs and Alterations** and **Building Operations** budget activities.

Asset Management Summary

(Dollars in Thousands)

	FY 2007 ¹	FY 2008 ²	FY 2009 ²
Repairs and Alterations	\$623,232	\$722,161	\$692,374
Building Operations	2,030,427	2,105,490	2,223,354
Total	\$2,653,659	\$2,827,651	\$2,915,728

¹ Includes indefinite authority

² Does not include indefinite authority

Program Request

(Dollars in Thousands)

Repairs and Alterations:

- \$350,000 for Non-Prospectus projects (“Basic Program”)
- \$91,187 for Limited Scope Program
- \$214,540 for three Major Modernizations
- \$36,647 for Energy and Water Retrofit and Conservation Measures

Building Operations:

Maintaining Current Levels of Service:

- \$4,382 for Part-Year Increase for FY 2008 Pay Act (3.5%), Effective January, 2008
- \$13,795 for Pay Increases (2.9%), Effective January, 2009
- \$31,299 for Increased Cost of Supplies, Materials, and Service Contracts (2.4%)
- \$18,019 for Building Services in New Space
- \$12,323 for Increase for Cleaning and Maintenance Contract Labor Rates and Benefits

Program Reductions:

- \$2,230 reduction for Decreases in IT Projects Transitioning to Maintenance

Program Increases:

- \$26,960 for Security Charges from Homeland Security for Vacant Space
- \$4,850 for eAccount/eCustomer
- \$4,278 for Physical Access Control Systems for HSPD-12 Compliance
- \$4,188 for Building Performance Improvement Program

*U.S. General Services Administration
Federal Buildings Fund*

Building Operations, Explanation of Changes
(Dollars in Thousands)

	<u>FTE</u>	<u>New Obligational Authority (NOA)</u>
Fiscal Year 2008 Current	5,650.0	\$2,105,490
Maintaining Current Levels:		
Part-Year Increase for FY 2008 Pay Act (3.5%), Effective January, 2008		\$4,382
Pay Increase (2.9%), Effective January, 2009		13,795
Increase Cost of Supplies, Materials, and Service Contracts (2.4%)		31,299
Building Services in New Space		18,019
Increase for Cleaning and Maintenance Contract Labor Rates and Benefits		<u>12,323</u>
Subtotal, MCLs.....		\$79,818
Program Decreases:		
Decrease for IT Projects Transitioning to Maintenance		(\$2,230)
Program Increases:		
Security Charges from Homeland Security for Vacant Space		\$26,960
eAccount/eCustomer		4,850
Physical Access Control Systems for HSPD-12 Compliance		4,278
Building Performance Improvement Program		4,188
Subtotal, Program Increases.....		<u>\$40,276</u>
Fiscal Year 2009 Request	5,650.0	\$2,223,354

Decrease for IT Projects Transitioning to Maintenance **\$-2,230**

As current projects reach maturity, PBS IT expenditures will transition to maintenance activities and a shift away from IT services. IT cost reductions were generated by the following projects: Occupancy Agreement (OA) Tool, IT Management Services, Central Office Program Support, eCommon, CAD/CIFM , and PBS Electronic Data Management System (EDMS).

These cost reductions will be realized through more efficient and effective utilization of enterprise applications as they enter a steady state. Common components that would otherwise be developed and paid for repeatedly will be reused in multiple applications as needed. Integration of data among multiple applications will result in the ability for users to enter data once rather than repeatedly entering data in multiple applications.

Since January 2007, the PBS CIO has required all regions to register all local applications, websites and COTS products with the Application Registration System. To date, over 250 applications, websites and COTS products have been registered. We are currently evaluating redundancies among these applications. If redundancies are found, we will consolidate and/or retire these duplicated or obsolete applications based on best business practices. PBS will recognize further savings through this realignment and consolidation.

Security Charges from Homeland Security for Vacant Space **\$26,960**

Due to a change in the terms of the Memorandum of Understanding signed with DHS, PBS will be required to pay security charges for vacant space in PBS controlled buildings. This request will fund security charges for vacant space controlled by PBS and approved rate increases for PBS occupied space.

eAccount/eCustomer **\$4,850**

eAccount will help PBS to resolve issues and manage customer expectations. PBS needs to develop eAccount/eCustomer to ensure that PBS managers have current, accurate information on our clients and their inventory. The additional funding will help support the integration of contact management across all current and future einitiative applications, including eLease, eTMP and eOMP which support the "One GSA-One Voice" strategy.

Physical Access Control Systems for HSPD-12 Compliance **\$4,278**

PBS is requesting additional funds to continue its ongoing maintenance of operational (legacy) physical access control systems (PACs) in accordance with a physical migration strategy that complies with Homeland Security Presidential Directive-12 (HSPD-12), utilizing a risk-based approach. This additional funding is required to maintain our current inventory of operational PACs, while planning for a phased transition to future HSPD-12 compliant physical access control systems based upon an enterprise wide solution.

Building Performance Improvement Program **\$4,188**

PBS is requesting additional funds in order to institute a rigorous program that measures and reviews all aspects of building operations that affect the building's physical performance. The program would recommend changes in operating practice, control systems management, tenant behavior and optimize the systems operations with integrated tools; as well as recommend capital investments to achieve further performance improvement. This process addresses problems that lead to high energy and maintenance costs, occupant dissatisfaction, poor indoor environmental quality, and premature equipment failure.

Building Operations, Explanation of Changes by Program
(Dollars in Thousands)

	Other							TOTAL
	Cleaning	Utilities and Fuels	Main-tenance	Building Services	Space Acquisition	Staff Support	CIO	
FY 2008 Current	287,199	448,102	304,328	223,004	185,271	501,420	156,166	2,105,490
Part-Year Increase for FY 2008 Pay Act (3.5%), Effective January, 2008	32		140	983	1,115	2,036	76	4,382
Pay Increase (2.9%), Effective January, 2009	99		441	3,091	3,509	6,416	239	13,795
Increase Cost of Supplies, Materials, and Service Contracts (2.4%)	6,748	5,626	6,459	3,353	1,061	6,299	1,753	31,299
Building Services in New Space	4,520	7,872	2,029	3,598				18,019
Increase for Cleaning and Maintenance Contract Labor Rates and Benefits	1,685		10,638					12,323
Decrease for IT Projects Transitioning to Maintenance							(2,230)	(2,230)
Consolidation of Program IT Efforts						(6,190)	6,190	0
Security Charges from Homeland Security for Vacant Space				26,960				26,960
eAccount / eCustomer							4,850	4,850
Physical Access Control Systems for HSPD-12 Compliance				4,278				4,278
Building Performance Improvement Program				4,188				4,188
FY 2009 Request	300,283	461,600	324,035	269,455	190,956	509,981	167,044	2,223,354

Strategic Direction – Asset Management

In FY 2009, PBS will continue to restructure its portfolio of real property assets in order to ensure that PBS's portfolio consists mainly of financially balanced assets that are well positioned to meet customer needs. PBS will also continue implementing its Real Property Asset Management Plan and the associated 3-Year Rolling Timeline to maintain "Green" status on the President's Management Agenda scorecard.

PBS will continue to leverage its market position to provide best value to its customer agencies and the American taxpayer. PBS will accomplish this by aggregating service contracts, identifying and targeting cost-reducing real property solutions through market analysis, and expanding energy contracts for government use. Increased customer budget constraints, increased operating costs, and changing customer demands means that leveraging GSA's resources to provide best value is particularly important.

Increased security requirements and reduced budgets continue to be an important issue for PBS and its customers. PBS has instituted construction design changes to provide for increased building security, which has led to a significant increase in the cost of protection and security. Implementing Interagency Security Committee standards (ISC) and Homeland Security Presidential Directive-12 (HSPD-12) requirements will also contribute to elevated rental rates.

GSA has seen indications of some executive branch agencies reducing the size of their government-owned space holdings. Six of our ten largest customers in government-owned space currently have less square footage with GSA since 2004.

PBS understands the value of providing not only quality service, but also consistent service, so PBS has begun to implement initiatives focused on improving and ensuring the services provided to our customers are consistent nationwide. Through the standardization of operation and maintenance contracts, implementing a national call center, and improving the transparency of rent, PBS will improve customer service and satisfaction. Additionally, strategies in FY 2009 will focus on the value we provide to our customers by ensuring that operation and maintenance costs remain at an appropriate level, energy costs and consumption are reduced, and security costs and risks are balanced.

Strategy and Action Plan – Asset Management

Long-term Outcome Goals:

1. Achieve a viable, self-sustaining inventory with an average Return On Equity of at least 6% by FY 2012 for 79% of our government-owned assets.
2. Reduce energy consumption by 21% by FY 2012 over the FY 2003 baseline while maintaining cleaning and maintenance costs within +/- 5% of the private sector and customer satisfaction levels at or above 80%.

Strategies:

- a. Continue rightsizing GSA's portfolio of real property assets.

- b. Building on the analysis tool developed in FY 2007 which evaluates the customer base, the commercial market environment and alternatives, and the asset condition of every asset, PBS will refine its identification of core real property assets in FY 2009 to ensure that reinvestment dollars and disposal decisions are targeted to the correct assets.
- c. In FY 2009, PBS will continue implementing its Real Property Asset Management Plan and the associated 3-year rolling improvement plan to improve its asset management practice and to maintain “Green” status on the scorecard for the President’s Management Agenda.
- d. Advance customer and market portfolio analyses to identify and target opportunities to develop or secure a cost-effective solution or savings for its customers (i.e. market gap opportunities for lease renegotiation or avoiding market costs associated with lease extensions).
- e. Facilitate customer decision making and balancing security risk with associated costs. Establish new operating criteria for building security committees, as well as a corporate level security liaison. PBS expects to solidify its working relationship with DHS-FPS and develop tools to facilitate decision making to help mitigate risks and balance the costs and associated benefits with providing security protection and countermeasures.
- f. Ensure the cost of operations and maintenance remains at the appropriate level.
- g. Continue to work closely with OMB and the Federal Real Property Council (FRPC) to ensure that GSA remains in line with any changes in direction and guidance for Federal real property asset management.
- h. Promote increased investment in real property by using other financing options.
- i. Reduce energy costs and consumption.

Action Plan and Performance – Asset Management

PBS has identified nine key areas where it must improve in order to achieve the overall goal of a sustainable inventory of owned buildings.

1. Continue Restructuring/Rightsizing Portfolio

Meet FRPC disposal, utilization, condition, and operating cost goals, as set in Executive Order 13327.

2. Identify Core Real Property Assets and Target Reinvestment

Refine the FY 2007 core asset methodology to provide better reinvestment and hold-period decision-making capabilities by developing more sophisticated means to determine long-term customer needs, commercial market alternatives, and asset condition indicators. Establish a hold period for the asset (> 15 yrs / 5-15 yrs / <5 yrs). Perform an annual financial tiering analysis to monitor portfolio performance. Conduct an annual update of asset-level strategies (maintain, upgrade/modernize, share, dispose/exchange).

3. Implement PBS's Real Property Asset Management Plan

Complete an annual update of GSA's Real Property Asset Management Plan. Identify gaps in GSA's asset management business model and incorporate them into rolling improvement plan. Implement action items from the rolling 3-year improvement plan subsection of GSA's Asset Management Plan.

4. Advance Customer and Market Portfolio Analysis to Develop Cost Effective Workplace Solutions

In FY 2009, PBS will enhance its customer and market portfolio analysis, identifying and targeting opportunities for cost effective solutions and savings for customers. To achieve this, PBS will:

- Conduct a detailed occupancy analysis of key customer portfolios.
- Conduct a detailed analysis of the largest markets with a Federal presence
- Assist customers in developing strategies to minimize their rental costs.

5. Facilitate Customer Decision Making and Balancing Security Risk with Associated Costs

PBS will implement the revised long-term Memorandum of Understanding (MOU) that will formalize our relationship with DHS-FPS by outlining the roles and responsibilities of each agency. GSA is also establishing new operating criteria for Building Security Committees, as well as a national programmatic Security Liaison. PBS expects to solidify its working relationship with DHS-FPS and develop tools to facilitate decision making to help mitigate risks and balance the costs with associated benefits of providing security protection and countermeasures. To achieve this, PBS will:

- Staff and support the PBS Security Office
- Develop tools to frame decision-making to balance risk and costs
- Provide up-front analysis of location-specific security costs.
- Work with FPS and the Interagency Security Committee (ISC) to develop and implement security criteria.

6. Ensure the Cost of Operations and Maintenance Remains at an Appropriate Level

Recent localized and nationwide fluctuations in operating costs have made it difficult for PBS to benchmark its costs against the private sector, so PBS is currently reexamining the benchmarking data to develop an appropriate measure for operations and maintenance costs. Additionally, PBS expects to implement several cost-reducing initiatives in response to current and future market conditions. In FY 2009, PBS will:

- Benchmark to BOMA and other private sector indicators
- Maintain cleaning and maintenance costs at +/- 5 percent of comparable private sector costs.

7. Support the Federal Real Property Council

PBS strives to be a leader of Federal real property asset management. To that end, PBS has made it a goal to incorporate guidance and directives issued by the Federal Real Property Council. In FY 2009, PBS will:

- Capture and report on the 24 data elements for the building inventory
- Implement the performance assessment tool
- Provide leadership for the Asset Management Committee.

8. Promote increased investment in real property by using other financing options

- Implement outlease/leaseback transactions to promote reinvestment opportunities such as Section 412 authority
- Explore other financing options
- Partner with Federal and State agencies to decrease liability for funding, particularly with Land Ports of Entry infrastructure.

9. Reduce Energy Costs/Consumption

- Require regional organizations to submit regional energy reduction plans for review and approval by Energy Center of Expertise in accordance with National Business Solution (NBS02)
- Implement energy retrofit program to meet FY 2012 energy reduction goals by performing life cycle costing analysis on proposed project submitted by regional offices
 - Fund projects which are cost effective and ranked by Savings to investment ratio and simple payback.

Impact on Performance: PBS fully expects portfolio performance to improve as a result of implementing these strategies. The ultimate outcome of the PBS strategy for restructuring and reinvesting in the owned inventory is to provide quality workplaces, increase customer satisfaction, constrain operating costs, and enhance the value of our real estate portfolio for the benefit of the taxpayer.

PART Status for Asset Management

As a result of the 2007 PART review, PBS's Asset Management performance goals and performance measures were adjusted to meet changing requirements. This program maintained its "Effective" rating in the 2007 review process.

Installment Acquisition Payments

(Dollars in Thousands)

	New Obligational Authority (NOA)
FY 2008 Current	\$155,781
Decrease in Capitalized Interest Payments	(1,967)
Decrease in Interest Payments	(4,244)
FY 2009 Request	\$149,570

General Program Description: The Public Buildings Amendment of 1972 authorized GSA to contract for the construction of a backlog of authorized but unfunded new construction projects. PBS was granted borrowing authority for a selected number of these projects. Congress has also provided authority on occasion to borrow funds to construct specific Federal facilities. This program funds payments for interest, including capitalized interest, for facilities constructed under borrowing authority.

U.S. General Services Administration
Federal Buildings Fund

Reimbursable Program

(Dollars in Thousands)

	FTE	New Obligational Authority (NOA)
FY 2008 Current	117.0	\$1,019,911
Workload adjustment for FY07		165,866
FY 2008 Adjusted Base		\$1,185,777
Inflation		16,695
Workload Increases		6,790
Workload Decreases		(31,633)
FY 2009 Request	117.0	\$1,177,629

General Program Description: GSA provides tenant agencies with space and building services (e.g., cleaning, maintenance, utilities, and protection) commensurate with those offered in the private sector. When requested by a tenant, we also provide building services which exceed commercially equivalent levels on a reimbursable basis. The reimbursable program allows us to be fully responsive to the special needs of our tenants in the Government-owned and leased space that we operate. Reimbursable services include space adjustments, facility security, utilities, large projects, and janitorial services required for above standard levels of operations, as well as administrative support costs associated with providing the service.

Schedule of Indefinite Authorities

Program	Source	Explanation
Recycling Rebates	PL 102-141 Sec. 11, PL 105-61 Sec. 608	This authority allows PBS to use funds earned through recycling rebates, refunds, or other incentives. These funds are available for recycling or other environmental projects.
Historic Properties	16 USC 470h-3(b)	This authority allows PBS to outlease historic properties and use the revenues to administer, maintain and repair those properties. All revenues earned using this authority must be obligated within two years or returned to the US Treasury.
Energy Rebates	PL 102-141 Sec. 11	This authority allows PBS to use funds earned through energy rebates, refunds, or other incentives. These funds are available for Federal energy management improvement or related programs.
Pennsylvania Avenue Activities (PAA)	PL 104-134, PL 104-208	This authority allows PBS to retain revenue earned using Pennsylvania Avenue Development Corporation (PADC) authorities. These funds are available for use on PAA projects including Building Operations and Repairs & Alterations.
International Trade Center (ITC)	PL 104-208	This authority allows PBS to retain revenue earned using PADC authorities. These funds are available for use on ITC Building Operations activities.
Cooperative Use Act and National Antenna Program	40 USC 581(h)	This authority allows PBS to lease space in Federal buildings to private individuals and organizations. Revenue from this activity is available for Building Operations activities.
Telework	PL 104-52	This authority allows PBS to charge agencies for use of telecommuting centers and use those funds to offset the costs of performing telecommuting services.
Rental of Space	PL 102-393 Sec. 5	This authority allows PBS to enter into lease agreements and obligate funds when an agency requires additional space that was not anticipated in the normal budget process.

THIS PAGE INTENTIONALLY LEFT BLANK

U.S. General Services Administration
FEDERAL BUILDINGS FUND
Fiscal Year 2009 Program Performance
CONTENTS

Performance Goals, Measures and Targets	2
Budget Link Summary	5
New Construction Performance Measures and Goals	6
New Construction Performance Budget Links	9
Leasing Performance Measures and Goals.....	11
Leasing Performance Budget Links	15
Asset Management Performance Measures and Goals	16
Asset Management Performance Budget Links.....	19

Performance Goals, Measures and Targets

FY2009 PART Program	Long-term Goal	2009 Performance Goal	Performance Measure	2007 Actual	2008 Target	2009 Target
New Construction	Reduce average cycle time on new courthouse construction projects to 2800 days or less by FY 2019.	Average cycle time on new courthouse construction projects is 3,100 days or less by FY 2009	Number of days to complete new courthouse construction projects	3,575	≤3100	≤3100
	Register 100% of the New Construction program for Leadership in Energy and Environmental Design (LEED) in the same fiscal year design funding is authorized and certify 75% of the new construction program for LEED within 18 months of substantial construction completion.	By FY 2009, register 90% of the New Construction program for LEED in the same fiscal year design funding is authorized	Percent of New Construction program registered for LEED	100%	75%	90%
		By FY 2009, certify 25% of the New Construction program for LEED within 18 months of substantial construction completion	Percent of New Construction program that is certified for LEED	0%	25%	25%
	Improve the operational and maintenance efficiency of GSA buildings by independently verifying newly constructed buildings for achievement of established operational requirements within eighteen months of substantial construction completion.	Verify 35% of newly constructed buildings for achievement of established operational requirements by FY 2009	Percent of newly constructed buildings independently verified for achievement of established operational requirements	100%	35%	35%
	GSA will execute the new construction program on the schedule committed to our customers 90% of the time by FY 2010.	New construction projects on schedule 89% of the time by FY 2009	Construction projects on schedule	78.8%	88%	89%

U.S. General Services Administration
Federal Buildings Fund

FY2009 PART Program	Long-term Goal	2009 Performance Goal	Performance Measure	2007 Actual	2008 Target	2009 Target
Leasing Program	By FY 2010, the Leasing program will deliver <u>new leases</u> at 9.5% below the industry average cost for office space, and deliver the space when the customer needs it 90% of the time or better.	Award leases at an average rental rate of not less than 9.3% below industry averages for comparable office space by FY 2009	Cost of leased space relative to industry market rates	-10.6%	-9.0%	-9.3%
		Deliver lease space when the customer needs it 88% of the time or better by FY 2009	Percent of customers who say they received their lease space when they needed it	82%	86%	88%
		Use National Broker Contract for at least 90% of expiring leases by FY 2009	Percent of expiring leases using the National Broker Contract	58%	80%	90%
	By FY 2010, the Leasing program will receive satisfied tenant customer satisfaction scores (4's & 5's) 80% of the time and will incorporate the results of Lease Tiering into customer strategic planning where market data is available.	Achieve a satisfied customer satisfaction rating (4's & 5's) 78% of the time by FY 2009	Satisfied tenant customer satisfaction rating (4 and 5 responses) in leased space surveyed	78.4%	76%	78%
		Analyze 100% of leases expiring within 3 years for market opportunities to reduce rental payments where market data is available	Percent of existing lease inventory reviewed for beneficial opportunities	100%	100%	100%
		Maintain percent of vacant space in leased buildings at less than or equal to 1.5% by FY 2009	Percent of vacant space in leased inventory	1.1%	≤1.5%	≤1.5%
		Manage the costs of administering leased space so that leased Funds From Operations (FFO) is greater than 0% and no more than 2% of the leased inventory revenue	Percent of leased revenue available after administering the lease program	0.01%	0% - 2%	0% - 2%

Performance Goals, Measures and Targets

FY2009 PART Program	Long-term Goal	2009 Performance Goal	Performance Measure	2007 Actual	2008 Target	2009 Target
Asset Management	Achieve a viable, self-sustaining inventory with an average Return on Equity of at least 6% by FY 2012 for 79% of our government owned assets.	Increase to 77% the percentage of government-owned assets with a Return on Equity of at least 6% by FY 2009	Percentage of government-owned assets with an ROE of at least 6 percent	78%	77%	77%
		Increase the percentage of government-owned assets with a positive FFO to 86% by FY 2009	Percentage of government-owned assets achieving a positive FFO	87.5%	85%	86%
		Obligate 75% of minor Repairs and Alterations budget for planned projects by the end of FY 2009	Percent of minor R&A budget obligated on planned projects	83%	75%	75%
		Decrease the vacant space (available and committed) to 5% of the owned inventory by FY 2007 and maintain thereafter.	Percentage of vacant space in the government-owned inventory	5.6%	≤5%	≤5%
	Reduce energy consumption 21% by FY 2012 over the FY 2003 baseline while maintaining cleaning and maintenance costs within +/- 5% of the private sector and customer satisfaction levels at or above 80%.	Reduce energy consumption in GSA federal buildings less than 12% (as measured by Btu/GSF) over the FY 2003 baseline by FY 2009	Percent reduction in energy consumption over the FY 2003 baseline	-8%	-9%	-12%
		Execute energy conservation goals while increasing GSA's Customer Satisfaction scores to 80% by FY 2009	Customer Satisfaction – tenants in owned space	78%	80%	80%
		Maintain cleaning and maintenance costs in office and similarly serviced space within +/-5% of private sector benchmarks	Percent within the private sector benchmarks for cleaning and maintaining office and similarly serviced space	+4%	+/-5%	+/-5%

Budget Link Summary

(Dollars in Thousands)

	FY 2007 Actual	FY 2008 Current	FY 2009 Request
Linked Budget Summary			
Asset Management	<u>\$2,454,035</u>	<u>\$2,625,200</u>	<u>\$2,706,798</u>
Repairs and Alterations:	<u>\$618,241</u>	<u>\$722,161</u>	<u>\$692,374</u>
Basic	\$355,154	\$318,953	\$350,000
Line-Item	\$263,087	\$403,208	\$342,374
Building Operations	\$1,799,916	1,903,039	\$2,014,424
Total Indefinite Authority	\$35,878	[\$41,800]	[\$44,300]
New Construction	<u>\$851,059</u>	<u>\$724,579</u>	<u>\$808,858</u>
New Construction	\$648,302	\$531,448	\$620,119
Installment Acquisition Payments	\$163,999	\$155,781	\$149,570
Building Operations	\$38,758	\$37,350	\$39,169
Leasing	<u>\$4,516,352</u>	<u>\$4,795,416</u>	<u>\$4,861,917</u>
Rental of Space	\$4,067,881	\$4,315,534	\$4,692,156
Building Operations	\$160,866	\$165,101	\$169,761
Rental of Space - Indefinite Authority	\$287,605	\$314,781	[425,897]
Total New Obligational Authority:	<u>\$7,821,446</u>	<u>\$8,145,195</u>	<u>\$8,377,573</u>
Indefinite Authority Not Included in NOA			
Asset Management	\$0	\$41,800	\$44,300
Leasing	\$0	\$0	\$425,897
Total Obligational Authority (NOA + IA)	<u>\$7,821,446</u>	<u>\$8,186,995</u>	<u>\$8,847,770</u>

New Construction Performance Measures and Goals

Long-term Outcome Goal: Reduce average cycle time on new courthouse construction projects to 2,800 days or less by FY 2019.

Performance Goal: Average cycle time on new courthouse construction projects is 2,800 days or less by FY 2009.

Performance Measure: Number of days to complete new courthouse construction projects.

The New Construction program business line established an efficiency measure for the cycle time of new courthouse construction projects. Cycle time measures the average number of days from the authorization / appropriation of design funds to substantial construction completion. This measure applies to planned, new courthouse construction projects and reports aggregate results in three year increments. Reducing cycle time will result in greater efficiency in program execution, lower program costs, improved financial performance and should also reduce unobligated balances carried over from year to year.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
3,458	3,575	≤3,100	≤3,100
FY10 Target	FY11 Target	FY12 Target	FY13 Target
≤3,100	≤3,100	≤3,100	≤3,100

Long-term Outcome Goal: Register 100% of the New Construction program for Leadership in Energy and Environmental Design (LEED) in the same fiscal year design funding is authorized and certify 75% of the New Construction program for LEED within 18 months of substantial construction completion.

Performance Goal: By FY 2009, register 90% of the New Construction program for LEED in the same fiscal year design funding is authorized.

Performance Measure: Percent of New Construction program registered for LEED.

This measure tracks the level of sustainability achieved by the New Construction program. Projects must be registered for LEED with the U.S. Green Building Council in the same fiscal year design funding is authorized. Currently a small fraction of the projects in the new construction program are registered or achieve LEED certification. PBS is using this benchmark to establish an aggressive target for projects funded for design in FY 2007 and subsequent fiscal years and to improve sustainability performance.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
100%	100%	75%	90%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
100%	100%	100%	100%

Performance Goal: By FY 2009, certify 25% of the New Construction program for LEED within 18 months of substantial construction completion.

Performance Measure: Percent of New Construction program that is certified for LEED.

This measure tracks the level of sustainability achieved by the New Construction program. Projects must be LEED certified within 18 months of substantial construction completion. Sustainable design principles are incorporated throughout GSA's building processes, beginning with design. The result is an optimal balance of cost, environmental, societal, and human benefits while meeting the needs of the client agency. It is GSA's intent to integrate sustainable design as seamlessly as possible into existing design and construction processes to maximize efficiency and achieve cost effective sustainability in the program.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
0%	0%	25%	25%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
25%	50%	60%	60%

Long-term Outcome Goal: Improve the operational and maintenance efficiency of GSA buildings by independently verifying newly constructed buildings for achievement of established operational requirements within eighteen months of substantial construction completion.

Performance Goal: Verify 35% of newly constructed buildings for achievement of established operational requirements by FY 2009.

Performance Measure: Percent of newly constructed buildings independently verified for achievement of established operational requirements.

For the New Construction program PBS adopted a quality assurance process to achieve, validate and document that the performance of each building and its systems meet the design intent and owner requirements. This process, called commissioning, enables GSA to assure the facilities it is developing meet or exceed program requirements and expectations for performance, efficiency, safety, sustainability, security and occupant satisfaction. This independently verified process leads to reductions in building operation costs, enhanced energy efficiency, improved environmental/health conditions, increased maintainability of building systems and significant extension of equipment/systems life cycle.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
100%	100%	35%	35%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
35%	35%	35%	35%

Long-term Outcome Goal: GSA will execute the New Construction program on the schedule committed to our customers 90% of the time by FY 2010.

Performance Goal: New construction projects on schedule 89% of the time by FY 2009.

Performance Measure: Construction projects on schedule.

GSA anticipates it will deliver and complete construction of new projects on the schedule committed to its customers 90% of the time by FY 2010. PBS financial forecasts calculate rental income from construction projects as of the anticipated date of occupancy. It is critical that projects be completed on time so they can begin to generate expected revenue. This measure shows the percentage of projects completed on schedule, weighted by the value of work in place. This measure uses an earned value technique to assess construction project performance on all prospectus level projects.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
84%	78.8%	88%	89%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
90%	90%	90%	90%

New Construction Performance Budget Links

(Dollars in Thousands)

Long-term Outcome Goal(s)

Reduce average cycle time on new courthouse construction projects to 2,800 days or less by FY 2019.

Performance Goal	Performance Measure	FY 2007 Actual		FY 2008 Current		FY 2009 Request	
		Actual	Dollars	Target	Dollars	Target	Dollars
Average cycle time on new courthouse construction projects is 3,100 days or less by FY 2009	Number of days to complete new courthouse construction projects	3,575	\$ 307,417	≤3100	\$ 114,778	≤3100	\$ 108,102
Budget Links:	New Construction		\$ 307,417		\$ 114,778		\$ 108,102
Budget Activities:							
New Construction			\$ 307,417		\$ 114,778		\$ 108,102
Total New Obligational Authority			\$ 307,417		\$ 114,778		\$ 108,102

Long-term Outcome Goal(s)

Register 100% of the New Construction program for Leadership in Energy and Environmental Design (LEED) in the same fiscal year design funding is authorized and certify 75% of the New Construction program for LEED within 18 months of substantial construction completion.

Performance Goal	Performance Measure	FY 2007 Actual		FY 2008 Current		FY 2009 Request	
		Actual	Dollars	Target	Dollars	Target	Dollars
By FY 2009, register 90% of the New Construction program for LEED in the same fiscal year design funding is authorized	Percent of New Construction program registered for LEED	100%	\$ 19,473	75%	\$ 16,991	90%	\$ 13,714
Budget Links:	New Construction		\$ 19,473		\$ 16,991		\$ 13,714
By FY 2009, certify 25% of the New Construction program for LEED within 18 months of substantial construction completion	Percent of New Construction program that is certified for LEED	0%	\$ 12,982	25%	\$ 11,327	25%	\$ 9,142
Budget Links:	New Construction		\$ 12,982		\$ 11,327		\$ 9,142
Budget Activities:							
New Construction			\$ 32,455		\$ 28,318		\$ 22,856
Total New Obligational Authority			\$ 32,455		\$ 28,318		\$ 22,856

Long-term Outcome Goal(s)

Improve the operational and maintenance efficiency of GSA buildings by independently verifying newly constructed buildings for achievement of established operational requirements within eighteen months of substantial construction completion.

Performance Goal	Performance Measure	FY 2007 Actual		FY 2008 Current		FY 2009 Request	
		Actual	Dollars	Target	Dollars	Target	Dollars
Verify 35% of newly constructed buildings for achievement of established operational requirements by FY 2009	Percent of newly constructed buildings independently verified for achievement of established operational requirements	100%	\$ 145,066	35%	\$ 175,083	35%	\$ 216,540
Budget Links:	New Construction		\$ 123,372		\$ 155,341		\$ 195,664
	Building Operations		\$ 21,694		\$ 19,742		\$ 20,876
Budget Activities:							
New Construction			\$ 123,372		\$ 155,341		\$ 195,664
Building Operations			\$ 21,694		\$ 19,742		\$ 20,876
Total New Obligational Authority			\$ 145,066		\$ 175,083		\$ 216,540

U.S. General Services Administration
Federal Buildings Fund

Long-term Outcome Goal(s)

GSA will execute the New Construction program on the schedule committed to our customers 90% of the time by FY 2010.

Performance Goal	Performance Measure	FY 2007 Actual		FY 2008 Current		FY 2009 Request	
		Actual	Dollars	Target	Dollars	Target	Dollars
New construction projects on schedule 89% of the time by FY 2009	Construction projects on schedule	78.8%	\$ 366,121	88%	\$ 406,400	89%	\$ 461,360
Budget Links:	New Construction		\$ 185,058		\$ 233,011		\$ 293,497
	Installment Acquisition		\$ 163,999		\$ 155,781		\$ 149,570
	Building Operations		\$ 17,064		\$ 17,608		\$ 18,293
Budget Activities:							
	New Construction		\$ 185,058		\$ 233,011		\$ 293,497
	Installment Acquisition Payments		\$ 163,999		\$ 155,781		\$ 149,570
	Building Operations		\$ 17,064		\$ 17,608		\$ 18,293
Total New Obligational Authority			\$ 366,121		\$ 406,400		\$ 461,360

Leasing Performance Measures and Goals

Long-term Outcome Goal: By FY 2010, the Leasing program will deliver new leases at 9.5% below the industry average cost for office space, and deliver the space when the customer needs it 90% of the time or better.

Performance Goal: Award leases at an average rental rate of not less than 9.3% below industry averages for comparable office space by FY 2009.

Performance Measure: Cost of leased space relative to industry market rates.

PBS benchmarks its leasing costs in office space to the private sector. By consistently paying lease rates at or below comparable market rates, PBS ensures that it is achieving the best value for the taxpayer. When calculated by contract, this measure will provide information as to the effectiveness of our brokers in negotiating favorable contract rates.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
-9.2%	-10.6%	-9.0%	-9.3%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
-9.5%	-9.5%	-9.5%	-9.5%

Performance Goal: Deliver lease space when the customer needs it 88% of the time or better by FY 2009.

Performance Measure: Percent of customers who say they received their lease space when they needed it.

Each year PBS conducts the Realty Transaction Survey, which includes questions for overall satisfaction with the transaction, getting space when needed, providing advance notice, space meeting needs, keeping the customer informed and value provided.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
67%	82%	86%	88%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
90%	90%	90%	90%

Performance Goal: Use National Broker Contract for at least 90% of expiring leases by FY 2009.

Performance Measure: Percent of expiring leases using the National Broker Contract.

*U.S. General Services Administration
Federal Buildings Fund*

By comparing the number of task orders issued against the number of leases expiring in each contract year, PBS will be able to measure the increase in its capacity to meet customer needs through the use of the NBC.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
48%	58%	80%	90%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
90%	90%	90%	90%

Long-term Outcome Goal: By FY 2010, the Leasing program will receive satisfied tenant customer satisfaction scores (4's and 5's) 80% of the time and will incorporate the results of Lease Tiering into customer strategic planning where market data is available.

Performance Goal: Achieve a satisfied customer satisfaction rating (4's & 5's) 78% of the time by FY 2009.

Performance Measure: Satisfied tenant customer satisfaction rating (4 and 5 responses) in leased space surveyed.

PBS has partnered with The Gallup Organization to assess customer satisfaction levels and determine how well PBS is meeting its goal to provide best value for customer agencies and taxpayers. Gallup polls the tenants in one-third of PBS's eligible building inventory each year using a customer satisfaction survey developed in conjunction with the International Facilities Management Association (IFMA). The Gallup Organization confirms that our target of 76% tenant satisfaction in FY 2008 and our long-term goal of 80% by FY 2010 are significantly above private sector expectations for tenant satisfaction.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
78%	78.4%	76%	78%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
80%	80%	80%	80%

Performance Goal: Analyze 100% of leases expiring within 3 years for market opportunities to reduce rental payments where market data is available.

Performance Measure: Percent of existing lease inventory reviewed for beneficial opportunities.

PBS's Asset Management will review current leases where industry rate and market absorption information is available – 55 major and 500 submarkets are currently covered. PBS's Asset Management recommendations to ONCSM where beneficial market conditions exist will be used by customer account advisors along with information from the CILP, expiring lease and client billing record reports, customer agency budgets, customer business plans and demand

planning, allowing account managers to identify and advise customer agencies with regard to consolidated leasing opportunities, spikes in lease demand and beneficial market conditions.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
100%	100%	100%	100%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
100%	100%	100%	100%

Performance Goal: Maintain percent of vacant space in leased buildings at less than or equal to 1.5% by FY 2009.

Performance Measure: Percent of vacant space in leased inventory.

This measure evaluates our effectiveness at maximizing the use of leased space in the inventory. One of the benefits provided by the PBS lease program is the ability for agencies to cancel lease space with 120 day-notice. PBS assumes the responsibility for the balance of the unexpired lease term and by tracking and measuring the percent of vacant space in PBS's leased inventory through STAR, the System for Tracking and Reporting inventory management system, we maintain a focus on marketing vacant space where possible before acquiring new space to meet customer needs. Leased space that is not occupied includes space under alteration, space that is committed to a customer but is not yet occupied, and vacant unassigned space. Unoccupied space reduces the revenue PBS can collect, directly affecting funds available for capital improvements.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
1.5%	1.1%	≤1.5%	≤1.5%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
≤1.5%	≤1.5%	≤1.5%	≤1.5%

Performance Goal: Manage the cost of administering leased space so that leased Funds from Operations (FFO) is greater than 0% and no more than 2% of the leased inventory revenue.

Performance Measure: Percent of leased revenue available after administering the lease program.

This measure ensures that all costs associated with the leasing program are covered through the rent and the leasing fee charged to customers. PBS provides leasing and lease space administration services to its customers while taking on the risk of vacant leased space by allowing agencies to return leased space to PBS when they no longer need it. The program should operate within the seven percent leasing fee and the costs of administering leased space and buying out leases from lessors should be no less than 0% and no more than 2% of the leased inventory revenue.

*U.S. General Services Administration
Federal Buildings Fund*

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
1.5%	0.01%	0% - 2%	0% - 2%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
0% - 2%	0% - 2%	0% - 2%	0% - 2%

Leasing Performance Budget Links

(Dollars in Thousands)

Long-term Outcome Goal(s)

By FY 2010, the Leasing program will deliver new leases at 9.5% below the industry average cost for office space, and deliver the space when the customer needs it 90% of the time or better.

Performance Goal	Performance Measure	FY 2007 Actual		FY 2008 Current		FY 2009 Request	
		Actual	Dollars	Target	Dollars	Target	Dollars
Award leases at an average rental rate of not less than 9.3% below industry averages for comparable office space by FY 2009	Cost of leased space relative to industry market rates	-10.6%	\$ 287,605	-9.0%	\$ 314,781	9.3%	[\$425,897]
Budget Links:	Rental of Space Indefinite Authority		\$ 287,605		\$ 314,781		[\$425,897] 1/
Deliver lease space when the customer needs it 88% of the time or better by FY 2009	Percent of customers surveyed who say they received their lease space when they needed it	82%	\$ 59,547	86%	\$ 60,997	88%	\$ 61,390
Budget Links:	Building Operations		\$ 59,547		\$ 60,997		\$ 61,390
Use National Broker Contract for at least 90% of expiring leases by FY 2009	Percent of expiring leases using the National Broker Contract	58%	\$ -	80%	\$ -	90%	\$ -
Budget Activities:							
Rental of Space - Indefinite Authority			\$ 287,605		\$ 314,781		[\$425,897] 1/
Building Operations			\$ 59,547		\$ 60,997		\$ 61,390
Total New Obligational Authority			\$ 347,152		\$ 375,778		\$ 61,390

1/ Indefinite Authority not included in the New Obligational Authority amount

Long-term Outcome Goal(s)

By FY 2010, the Leasing program will receive satisfied tenant customer satisfaction scores (4's and 5's) 80% of the time and will incorporate the results of Lease Tiering into customer strategic planning where market data is available.

Performance Goal	Performance Measure	FY 2007 Actual		FY 2008 Current		FY 2009 Request	
		Actual	Dollars	Target	Dollars	Target	Dollars
Achieve a satisfied customer satisfaction rating (4's & 5's) 78% of the time by FY 2009	Satisfied tenant customer satisfaction rating (4 and 5 responses) in leased space surveyed	78.4%	\$ 48,176	76%	\$ 49,505	78%	\$ 50,732
	Building Operations		\$ 48,176		\$ 49,505		\$ 50,732
Analyze 100% of leases expiring within 3 years for market opportunities to reduce rental payments where market data is available	Percent of existing lease inventory reviewed for beneficial opportunities	100%	\$ -	100%	\$ -	100%	\$ -
Maintain percent of vacant space in leased buildings at less than or equal to 1.5% by FY 2009	Percent of vacant space in leased inventory	1.1%	\$ 52,906	≤1.5%	\$ 54,357	≤1.5%	\$ 57,391
	Building Operations		\$ 52,906		\$ 54,357		\$ 57,391
Manage the costs of administering leased space so that leased Funds From Operations (FFO) is greater than 0% and no more than 2% of the leased inventory revenue	Percent of leased revenue available after administering the lease program	0.01%	\$ 4,068,118	0%-2%	\$ 4,315,776	0%-2%	\$ 4,692,404
	Rental of Space		\$ 4,067,881		\$ 4,315,534		\$ 4,692,156
	Building Operations		\$ 237		\$ 242		\$ 248
Budget Activities:							
Building Operations			\$ 101,319		\$ 104,104		\$ 108,371
Rental of Space			\$ 4,067,881		\$ 4,315,534		\$ 4,692,156
Total New Obligational Authority			\$ 4,169,200		\$ 4,419,638		\$ 4,800,527

Asset Management Performance Measures and Goals

Long-term Outcome Goal: Achieve a viable, self-sustaining inventory with an average Return on Equity of at least 6% by FY 2012 for 79% of our government owned assets.

Performance Goal: Increase to 77% the percentage of government-owned assets with a Return on Equity of at least 6% by FY 2009.

Performance Measure: Percentage of government-owned assets achieving a ROE of at least 6%.

Return on Equity is the ratio of annual net operating income to the amount of “equity” (generally fair market value) in the asset. Assets with an ROE of at least 6% are solid financial performers that fulfill the long-term needs of our customers by generating enough money to fund their own operations, repairs and capital needs.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
76.4%	78%	77%	77%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
78%	79%	79%	79%

Performance Goal: Increase the percentage of government-owned assets with a positive FFO to 86% by FY 2009.

Performance Measure: Percent of government-owned assets achieving a positive FFO.

Funds from Operations (FFO) is a measure of PBS’s rent revenue minus all expenses (excluding depreciation) associated with running PBS’s owned and leased buildings, such as salaries, supplies, lease payments, cleaning, maintenance, utilities and other costs. By increasing the percentage of buildings with a positive FFO, PBS will continue its effort to maximize the financial performance of retained assets by creating a self-sustaining inventory that will result in an improved quality of space for our customers and superior value for taxpayers.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
82.7%	87.5%	85%	86%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
86%	87%	87%	87%

Performance Goal: Obligate 75% of minor Repairs and Alterations budget for planned projects by the end of FY 2009.

Performance Measure: Percentage of the minor Repairs and Alterations budget obligated on planned projects.

This measure will encourage strategic reinvestment and disciplined spending that rewards sound financial planning and budgeting. Strategic reinvestment and a disciplined spending curve that rewards sound financial planning and budgeting is essential to ensure that PBS targets reinvestment dollars for performing assets to improve the condition of our inventory. The minor R&A measure focuses on how well we execute the reinvestment plan, by targeting 75 percent of the money obligated for planned BA54 projects.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
85%	83%	75%	75%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
75%	75%	75%	75%

Performance Goal: Decrease the vacant (available and committed) space to 5% of the owned inventory by FY 2007 and maintain thereafter.

Performance Measure: Percent of vacant space in the government-owned inventory. This measure evaluates our effectiveness at maximizing the use of the government owned buildings in our inventory. Vacant space includes any space not undergoing a prospectus-level renovation which a tenant is not currently occupying, including space that we have committed to a customer, but is not yet occupied.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
4.4%	5.6%	≤5%	≤5%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
≤5%	≤5%	≤5%	≤5%

Long Term Outcome Goal: Reduce energy consumption 21% by FY 2012 over the FY 2003 baseline while maintaining cleaning and maintenance cost within +/- 5% of the private sector and customer satisfaction levels at or above 80%.

Performance Goal: Reduce energy consumption in GSA Federal buildings by 12% (as measured by Btu/GSF) over the FY 2003 baseline by FY 2009.

Performance Measure: Percent reduction in energy consumption from the FY 2003 baseline.

This measure tracks the amount of energy usage compared to the baseline established in FY 2003 to ensure that consumption reduction follow EO 13423 requirements.

*U.S. General Services Administration
Federal Buildings Fund*

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
-4.44%	-8%	-9%	-12%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
-15%	-18%	-21%	-21%

Performance Goal: Execute energy conservation goals while increasing GSA's Customer Satisfaction scores to 80% by FY 2009.

Performance Measure: Customer satisfaction with government-owned space.

This measure tracks the percentage of tenants in government owned buildings that are satisfied with the building services they receive. Each year one third of our owned buildings are surveyed.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
83%	78%	80%	80%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
80%	80%	80%	80%

Performance Goal: Maintain GSA cleaning and maintenance costs in office and similarly serviced space within +/-5% of private sector benchmarks.

Performance Measure: Percent within the private sector benchmarks for cleaning and maintaining office and similarly serviced space.

This measure compares PBS costs for cleaning and maintenance with data from the BOMA experience exchange report to ensure that our costs are in line with private sector costs for office and office like space.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
6.0%	4%	+/- 5%	+/- 5%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
+/- 5%	+/- 5%	+/- 5%	+/- 5%

Asset Management Performance Budget Links

(Dollars in Thousands)

Long-term Outcome Goal(s)

Achieve a viable, self-sustaining inventory with an average Return on Equity of at least 6% by FY 2012 for 79% of our government owned assets.

Performance Goal	Performance Measure	FY 2007 Actual		FY 2008 Current		FY 2009 Request	
		Actual	Dollars	Target	Dollars	Target	Dollars
Increase to 77% the percentage of government-owned assets with a Return on Equity of at least 6% by FY 2009	Percentage of government-owned assets achieving a ROE of at least 6%	78%	\$ 88,788	77%	\$ 79,738	77%	\$ 87,500
Budget Links:	Basic Repairs & Alterations		\$ 88,788		\$ 79,738		\$ 87,500
Increase the percentage of government-owned assets with a positive FFO to 86% by FY 2009	Percent of government-owned assets achieving a positive FFO	87.5%	\$ 2,721	85%	\$ 2,778	86%	\$ 2,845
Budget Links:	Building Operations		\$ 2,721		\$ 2,778		\$ 2,845
Obligate 75% of minor Repairs and Alterations budget for planned projects by the end of FY 2009	Percent of the minor Repairs and Alterations budget obligated on planned projects	83%	\$ 326,170	75%	\$ 301,634	75%	\$ 328,098
Budget Links:	Basic Repairs & Alterations		\$ 266,366		\$ 239,215		\$ 262,500
	Building Operations		\$ 59,804		\$ 62,419		\$ 65,598
Decrease the vacant (available and committed) space to 5% of the owned inventory by FY 2007 and maintain thereafter	Percent of vacant space in the government-owned inventory	5.6%	\$ 50,661	≤5%	\$ 14,980	≤5%	\$ 18,986
Budget Links:	Building Operations		\$ 14,783		\$ 14,980		\$ 18,986
	Indefinite Authority		\$ 35,878		[\$41,800]		[\$44,300]
Budget Activities:							
Repairs and Alterations:							
Basic			\$ 355,154		\$ 318,953		\$ 350,000
Line-Item			\$ -		\$ -		\$ -
Indefinite Authority			\$ 35,878		[\$41,800]		[\$44,300]
Building Operations			\$ 77,308		\$ 80,177		\$ 87,429
Total New Obligational Authority:			\$ 468,340		\$ 399,130		\$ 437,429

U.S. General Services Administration
Federal Buildings Fund

Long-term Outcome Goal(s)

Reduce energy consumption 21% by FY 2012 over the FY 2003 baseline while maintaining cleaning and maintenance costs within +/- 5% of the private sector and customer satisfaction levels at or above 80%.

Performance Goal	Performance Measure	FY 2007 Actual		FY 2008 Current		FY 2009 Request	
		Actual	Dollars	Target	Dollars	Target	Dollars
Reduce energy consumption in GSA federal buildings by 12% (as measured by Btu/GSF) over the FY 2003 baseline by FY 2009	Percent reduction in energy consumption over the FY 2003 baseline	-8.3%	\$ 25,108	-9%	\$ 26,217	-12%	\$ 48,199
Budget Links:	Line Item Repairs & Alterations		\$ 10,000		\$ 15,000		\$ 36,647
	Building Operations		\$ 15,108		\$ 11,217		\$ 11,552
Execute energy conservation goals while increasing GSA's Customer Satisfaction scores to 80% by FY 2009	Customer satisfaction with government-owned space	78.3%	\$ 1,017,973	80%	\$ 1,160,224	80%	\$ 1,135,252
Budget Links:	Building Operations		\$ 764,886		\$ 772,016		\$ 829,525
	Line Item Repairs & Alterations		\$ 253,087		\$ 388,208		\$ 305,727
Maintain GSA cleaning and maintenance costs in office and similarly serviced space within +/- 5% of private sector benchmarks.	Percent within the private sector benchmarks for cleaning and maintaining office and similarly serviced space	+4%	\$ 942,614	+/-5%	\$ 1,039,629	+/-5%	\$ 1,085,918
Budget Links:	Building Operations		\$ 942,614		\$ 1,039,629		\$ 1,085,918
Budget Activities:							
	Line-Item Repairs and Alterations		\$ 263,087		\$ 403,208		\$ 342,374
	Building Operations		\$ 1,722,608		\$ 1,822,862		\$ 1,926,995
Total New Obligational Authority:			\$ 1,985,695		\$ 2,226,070		\$ 2,269,369

U.S. General Services Administration

GOVERNMENTWIDE POLICY

Fiscal Year 2009 Budget Request

CONTENTS

Appropriations Language	2
Explanation of Changes, Appropriated Dollars and FTE	3
Summary of Request.....	4
Amounts Available for Obligation	5
Obligations by Object Classification	6
Obligations by Program	7
Explanation of Changes by Program.....	8
Office of Governmentwide Policy	10
Office of Chief Acquisition Officer.....	16

Appropriations Language

For expenses authorized by law, not otherwise provided for, for Government-wide policy and evaluation activities associated with the management of real and personal property assets and certain administrative services; Government-wide policy support responsibilities relating to acquisition, telecommunications, information technology management, and related technology activities; and services as authorized by 5 U.S.C. 3109; **\$56,578,000.**

Explanation of Changes, Appropriated Dollars and FTE
(Dollars in Thousands)

	<u>FTE</u>	<u>Budget Authority</u>
2008.....	159.0	\$52,891
2009.....	<u>173.0</u>	<u>\$56,578</u>
Net Change.....	14.0	\$3,687

	<u>FTE</u>	<u>Budget Authority</u>
Adjustments to the FY 2008 Base:		
Transfer in of e-Gov IT infrastructure support from WCF	11.0	
Maintaining Current Levels:		
Annualization of FY 2008 Pay Act (3.5%), Effective January 2008		\$205
Wage board and Pay Act Increase (2.9%), Effective January 2009		\$512
Inflation		<u>\$707</u>
Subtotal, Maintaining Current Levels.....		\$1,424
Program Decreases:		
Efficiency savings in the Office of Governmentwide Policy.....		-\$100
Program Increases:		
Increase staffing for the Federal Acquisition Institute to meet higher demands for acquisition training	3.0	\$363
Increase funding for Federal Acquisition Institute training support activities, to shift operating costs out of funds provided for training delivery		<u>\$2,000</u>
Subtotal, Program Increases.....	3.0	\$2,363
Net Change.....	14.0	\$3,687

NOTE: The FY 2009 request includes the base transfer of 11 FTE and \$0 from the GSA Working Capital Fund (WCF). These FTE are currently funded by OGP, through payments to the WCF: This transfer would have no impact on funding in the Office of Government-wide Policy appropriation. It will improve accountability by ensuring that FTE usage is recorded in the benefiting appropriation.

Summary of Request

The Governmentwide Policy appropriation provides for the salaries and expenses of (1) the Office of Governmentwide Policy and (2) the government-wide acquisition policy functions of Office of the Chief Acquisition Officer. GSA is requesting a total of \$56,578 thousand in fiscal year 2009 for the combined budget of the Office of Governmentwide Policy (OGP) and Office of the Chief Acquisition Officer (OCAO), a net increase of \$3,687 thousand over the FY 2008 appropriated amount.

The FY 2009 request includes an increase of **\$1,424 thousand** for the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and cost increases for inflation.

The FY 2009 budget requests **3 FTE and \$363 thousand** for the Federal Acquisition Institute (FAI), whose mission is to foster the development of a government-wide professional acquisition workforce. Due to higher demands for acquisition training, the increase for the FY 2009 budget will provide 3 new full-time FAI FTE with primary responsibility for curriculum development, knowledge management (best practice information sharing, research, questions on acquisition issues), and FAI operations. FAI provides over 40,000 acquisition professionals over 100 acquisition learning opportunities annually. FAI saves taxpayers approximately 40% off commercial training prices by strategically sourcing training, which allows agencies to direct scarce resources to other needs.

The FY 2009 budget requests **\$2,000 thousand** to fund FAI training support activities currently being paid from the Acquisition Workforce Training Fund (AWTF). One of the major goals of the Administration and the Chief Acquisition Officers Council is to improve the competence of the acquisition workforce, with special emphasis on emergency acquisition support. Congress endorsed this goal in the Services Acquisition Reform Act of 2003, when it authorized the creation of the AWTF as an additional source of funds to support increased training levels. When the AWTF was established, FAI spent considerable effort to develop the expanded training curriculum permitted by the new funding and to develop a strategy for delivering a higher level of training activity. AWTF funds have been used to pay for this training-related developmental work. Since 2006, new training contracts have been in place and the delivery of training has increased dramatically. GSA requests an increase of \$2,000 thousand in funding for the Governmentwide Policy appropriation to shift funding for FAI operations out of the AWTF and to focus AWTF spending exclusively on training delivery.

Reimbursable Program: In FY 2009, OGP and OCAO plan to provide reimbursable services to other Federal agencies in the amount of \$29,000 thousand, comprised of:

- \$10,550 thousand for the Office of Governmentwide Policy,
- \$1,450 thousand for the Office of the Chief Acquisition Officer, and
- \$17,000 thousand to support Intergovernmental Management Councils. Section 726 of Public Law 110-161 permits the head of each Executive department and agency to transfer to the Governmentwide Policy account, funds to support Government-wide financial, information technology, procurement, and other management innovations, initiatives, and activities. P.L. 110-161 limits the total funds transferred or reimbursed to \$10,000 thousand; the government-wide General Provisions of the FY 2009 President's Budget request an increase in this aggregate limit to \$17,000 thousand.

Amounts Available for Obligation

(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Request
Discretionary authority:			
Annual appropriation.....	\$52,346	\$52,891	\$56,578
Reimbursable authority:			
New authority.....	\$1,891	\$12,000	\$12,000
Transfers in for Management Councils.....	9,156	10,000	17,000
Change in uncollected payments.....	1,089	0	0
Subtotal, reimbursable authority.....	\$12,136	\$22,000	\$29,000
Unobligated balance, expiring.....	-\$1,267		
Unobligated balance, reimbursable.....	-\$240		
Total, obligations.....	\$62,975	\$74,891	\$85,578
Obligations, appropriated	51,079	52,891	56,578
Obligations, reimbursable.....	11,896	22,000	29,000
<i>Net Outlays</i>	<i>\$52,589</i>	<i>\$49,797</i>	<i>\$56,204</i>

Obligations by Object Classification

(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Request
11.1 Full-time, permanent.....	\$16,174	\$18,690	\$19,617
11.3 Other than full-time permanent.....	47	80	83
11.5 Other personnel compensation.....	643	751	774
11.8 Special personnel services payments.....	29	0	0
12.1 Civilian personnel benefits.....	3,259	3,900	4,017
21.0 Travel and transportation of persons.....	205	298	305
22.0 Transportation of things.....	0	0	0
23.1 Rental payments to GSA.....	1,708	1,827	1,871
23.2 Rental payments to others.....	0	0	0
23.3 Communications and utilities.....	138	170	174
Subtotal, Rent, communications & utilities.....	<u>\$1,846</u>	<u>\$1,997</u>	<u>\$2,045</u>
24.0 Printing and reproduction.....	523	557	570
25.1 Advisory and assistance services.....	15,391	12,458	13,644
25.2 Other services.....	0	106	109
25.3 Goods & services from Gov't accounts.....	12,757	13,968	15,326
25.4 Operation and maintenance of facilities.....	0	0	0
25.7 Operation and maintenance of equipment.....	0	0	0
Subtotal, Contractual services.....	<u>\$28,148</u>	<u>\$26,532</u>	<u>\$29,079</u>
26.0 Supplies and materials.....	60	86	88
31.0 Equipment.....	145	0	0
99.0 Obligations, appropriated.....	\$51,079	\$52,891	\$56,578
Subtotal, PC&B.....	20,152	23,421	24,491
Subtotal, Non-labor.....	30,927	29,470	32,087
99.0 Obligations, reimbursable.....	<u>11,896</u>	<u>22,000</u>	<u>29,000</u>
99.9 Total obligations.....	<u>\$62,975</u>	<u>\$74,891</u>	<u>\$85,578</u>

Obligations by Program

(Dollars in Thousands)

	<u>2007 Actual</u>		<u>2008 Current</u>		<u>2009 Request</u>	
	FTE	obligations	FTE	obligations	FTE	authority
1. Office of Governmentwide Policy:						
Annual appropriation	119.0	\$41,635	130.0	\$43,084	130.0	\$44,138
Reimbursable authority	<u>0.0</u>	<u>2,531</u>	<u>2.0</u>	<u>10,550</u>	<u>2.0</u>	<u>10,550</u>
Subtotal, OGP.....	119.0	\$44,166	132.0	\$53,634	132.0	\$54,688
2. Office of Chief Acquisition Officer:						
Annual appropriation	32.0	\$9,444	40.0	\$9,807	43.0	\$12,440
Reimbursable authority	<u>0.0</u>	<u>209</u>	<u>2.0</u>	<u>1,450</u>	<u>2.0</u>	<u>1,450</u>
Subtotal, OCAO.....	32.0	\$9,653	42.0	\$11,257	45.0	\$13,890
3. Intergovernmental Management Councils:						
Reimbursable authority.....	0.0	9,156	0.0	10,000	0.0	17,000
Total, Appropriation	151.0	\$51,079	170.0	\$52,891	173.0	\$56,578
Total, Reimbursable	<u>0.0</u>	<u>11,896</u>	<u>4.0</u>	<u>22,000</u>	<u>4.0</u>	<u>29,000</u>
Total, Budget Authority	151.0	\$62,975	174.0	\$74,891	177.0	\$85,578

Explanation of Changes by Program

(Dollars in Thousands)

	Office of Governmentwide Policy		Officer of the Chief Acquisition Officer		TOTAL	
	FTE	authority	FTE	authority	FTE	authority
FY 2008 Appropriation	119.0	\$43,084	40.0	\$9,807	159.0	\$52,891
Adjustments to the FY 2008 Base:						
Transfer In of E-Gov IT Infrastructure Support from WCF	11.0				11.0	0
Maintaining Current Levels:						
Annualization of FY 2008 Pay Act (3.5%), Effective January 2008		155		50		205
Wage Board & Pay Act Increase (2.9%), Effective January 2009		388		124		512
Inflation		611		96		707
Program Decreases:						
Efficiency Savings		-100				-100
Program Increases:						
FAI Staffing Increase			3.0	363	3.0	363
FAI Training Support				2,000		2,000
FY 2009 Budget Request	130.0	\$44,138	43.0	\$12,440	173.0	\$56,578

NOTE: The FY 2009 request includes the base transfer of 11 FTE and \$0 from the GSA Working Capital Fund (WCF). These FTE are currently funded by OGP, through payments to the WCF: This transfer would have no impact on funding in the Office of Government-wide Policy appropriation. It will improve accountability by ensuring that FTE usage is recorded in the benefiting appropriation.

THIS PAGE INTENTIONALLY LEFT BLANK

Office of Governmentwide Policy

Program Description

The Office of Governmentwide Policy (OGP) consolidates multiple policy functions into a single organization for the entire Federal government. OGP's policymaking authority covers the areas of personal and real property, travel and transportation, information technology, regulatory information and the use of Federal advisory committees.

OGP applies strong leadership and policy management to fulfill its mission of helping Federal agencies to implement new ways of doing business, align with common standards, and adopt government-wide solutions that increase efficiencies. OGP accomplishes this through collaboration, communication, analysis, facilitation and evaluation. OGP identifies and promotes best practices; develops databases and performance measures to make the Federal government's management processes more efficient and effective; encourages the adoption of innovative solutions toward more productive work environments; and coordinates major government-wide management improvement initiatives.

OGP also supports the Office of Management and Budget (OMB) in the implementation of various electronic government initiatives to standardize and streamline Federal lines of business such as financial management and information technology infrastructure. OGP strives to strengthen and expand the involvement of other Federal agencies, the private sector, and other stakeholders from the very onset of policy formulation. Major programs include:

Technology Strategy: OGP leads the development of uniform standards and interoperability guidelines for electronic commerce and facilitates government-wide implementation of electronic applications. OGP develops policy for adoption of common business approaches, architectures and innovative technologies to improve access and accessibility of government information and services. OGP also provides support for the Chief Information Officers Council, Chief Financial Officers Council, Chief Human Capital Officers Council, and Chief Acquisition Officers Council.

Real Property Management: OGP provides real property asset management guidance to Federal agencies. OGP fosters interagency and public-private collaboration to improve Federal asset management practices and to facilitate the adoption of best practices in Federal real property management and alternative workplace arrangements.

Travel, Transportation and Asset Management: OGP develops government-wide policies and guidelines for the administrative management of personal property, aircraft, motor vehicles, mail, relocation, travel and transportation. OGP produces a number of high-profile policies in this arena, including: annual per diem rates for the Federal government; mileage reimbursement rates for privately-owned vehicles; and sales of Federal assets.

Regulatory Information Service Center (RISC): The RISC's primary purpose is to compile and publish information about Federal regulatory and deregulatory activities. RISC's publications, databases and computer system enable OMB's Office of Information and Regulatory Affairs (OIRA) to carry out its responsibilities for coordination and review of Federal regulations under Executive Order 12866, "Regulatory Planning and Review", and its information collection review function under the Paperwork Reduction Act.

Committee Management Secretariat: Federal advisory committees support the policy and operating goals of the Administration and the Executive Branch by developing recommendations that are responsive to the issues of the sponsoring organizations. The Committee Management Secretariat has government-wide responsibilities for the management of the Federal Advisory Committee program. The Secretariat improves Government management by developing guidelines and maximizing public participation that result in better decisions by Federal agencies.

FY 2009 Budget Request

The FY 2009 budget requests \$44,138 thousand for the Office of Governmentwide Policy; an increase of \$1,054 thousand over the FY 2008 appropriated level. This increase would fund the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and cost increases for inflation. The request also includes a reduction of \$100 thousand for continued efficiency savings in FY 2008.

The funds requested will allow OGP to continue to realize its mission of leading Federal agencies in the economical and efficient management of Federal assets by spearheading effective policy development and by the exemplary management of the buildings/workspace, motor vehicles, and personal property provided by GSA. OGP will continue to drive the transformation of the Federal government's policy infrastructure and related business processes to a more effective and efficient use of resources and improved performance. OGP will be a catalyst that moves Federal management towards decision-making at the enterprise level, rather than at individual program levels. Moreover, OGP is committed to achieving measurable results that improve management, provide best value and are implemented government-wide.

OGP will continue to evolve a policy and performance measurement framework that nurtures and leads the development and implementation of business process change through the use of information technology, and continue to drive the adoption of performance measurement and reporting, as well as policy assessment tools, to underscore the value of its policies as used and useful.

OGP will undertake the following major initiatives in FY 2009 and over the next several years:

- Continue to work with agencies and OMB to ensure the development of effective government-wide performance measures, assessment methods, policies and standards for the implementation of an effective cross-servicing environment.
- Continue to work with Federal agencies to ensure government-wide compliance with Executive Order 13327 for Federal Real Property Asset Management.
- Identify and propose legislative and regulatory changes in program areas that will enable Federal managers to manage their programs more effectively, efficiently, and economically.
- Collect information to ascertain customer needs, establish performance benchmarks and standards, identify innovative business trends, conduct training, and manage government-wide databases.
- Increase availability and transparency of program-specific data to allow for more informed business decisions at a national level (e.g., consolidation of facilities and capital asset planning).
- Incorporate OGP real property management policies and best practices into GSA policies and facility-level processes to facilitate investment decisions and sustainability techniques for space planning and execution.

- Ensure GSA compliance with Executive Order 13423 for Strengthening Environmental and Transportation Management, including reducing the amount of petroleum consumed by the GSA motor vehicle fleet and increasing use of alternative fuels.
- Actively engage in Human Capital Planning to ensure timely succession planning, and use innovative recruitment and retention tools to increase key competencies in principal program areas.

Program Performance Information

This section presents selected program performance information, including GPRA goals, objectives, measures and performance targets and results. The performance measures reported here were developed a comprehensive methodology called the Policy Performance Portfolio System (3PS). The 3PS System uses four “portfolio performance measures” (long-term outcome measures) that measure improvements in government-wide management as a result of agencies implementing the policies OGP develops. Each portfolio performance measure assesses the effectiveness or efficiency of a “portfolio” of five to eight policies initiatives that represent OGP strategic priorities for a given year. Each year, the actual performance of each priority policy initiative is measured and compared to the targets for that year, to determine the extent to which the portfolio’s goals were met.

The policy initiatives that will contribute to the FY 2009 portfolio are: IT Accessibility, Financial Management Line of Business (FMLOB), Federal Asset Sales, Federal Real Property Asset Management System, and the Committee Management Secretariat.

Performance Measure: Extent to which OGP policy initiatives achieved improvement targets.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
100%	98%	88%	92%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
96%	100%	100%	100%

Performance Measure: Percentage of key policy stakeholders and agency users who rate OGP policy initiatives “effective”.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
54%	70%	60%	63%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
66%	69%	72%	75%

Performance Measure: Percentage of OGP initiatives meeting their scheduled development milestones.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
100%	100%	88%	92%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
96%	100%	100%	100%

Performance Measure: Percentage of OGP initiatives meeting cost targets.

FY06 Actual	FY07 Actual	FY08 Target	FY09 Target
80%	86%	100%	100%
FY10 Target	FY11 Target	FY12 Target	FY13 Target
100%	100%	100%	100%

Office of Governmentwide Policy

Program Outcome Measures

(Dollars in Thousands)

Long Term Outcome Goal

¹ Improved management effectiveness and efficiency of the Federal Government in providing "best value" administrative services through the implementation of government-wide polices and tools developed by OGP.

² Polices are developed on-schedule and within standard cost parameters.

Performance Goal	Performance Measure
Ensure OGP policy initiatives achieve improvement targets	Extent to which OGP policy initiatives achieved improvement targets
Development policy initiatives that are rated "effective" by key policy stakeholders and agency users	Percentage of key policy stakeholders and agency users who rate OGP policy initiatives effective
Ensure OGP initiatives meet their scheduled development milestones	Percentage of OGP initiatives meeting their scheduled development milestones
Ensure all OGP initiatives meet their cost targets	Percentage of OGP initiatives meeting cost targets

Identity Management (Federal Bridge Authority/Public Key Infrastructure).....

Other Policy Initiatives.....

Total, Appropriated.....

Reimbursable.....

Total, Office of Governmentwide Policy.....

<u>FY 2007 Actual</u>		<u>FY 2008 Current</u>		<u>FY 2009 Request</u>	
<u>Actual</u>	<u>Dollars</u>	<u>Target</u>	<u>Dollars</u>	<u>Target</u>	<u>Dollars</u>
98%	\$12,969	88%	\$13,072	92%	\$13,126
70%	\$5,383	60%	\$4,632	63%	\$4,654
100%	\$3,171	88%	\$3,186	92%	\$3,202
86%	\$3,406	100%	\$3,434	100%	\$3,478
Subtotal...	\$24,929		\$24,324		\$24,460
.....	4,708		4,717		4,726
.....	<u>11,998</u>		<u>14,043</u>		<u>14,952</u>
.....	\$41,635		\$43,084		\$44,138
.....	<u>2,531</u>		<u>10,550</u>		<u>10,550</u>
.....	\$44,166		\$53,634		\$54,688

Office of Chief Acquisition Officer

Program Description

The Office of the Chief Acquisition Officer (OCAO) provides GSA acquisition policies, processes, metrics, and oversight programs to ensure compliance with applicable laws and regulations, and to foster full and open competition for all contract opportunities. OCAO also has government-wide responsibility for developing acquisition policies and regulations, developing the acquisition workforce, and ensuring accountability for acquisition decision making. Major programs include:

Acquisition Policy: OCAO develops policy and guidance for Federal acquisition activities, and establishes clear lines of authority, accountability and responsibility for acquisition decision-making. OCAO responsibilities include maintaining the **Federal Acquisition Regulations (FAR)**, including processing casework associated with existing rules and managing the development and review process for new rules. OCAO also maintains **GSA Regulations (GSAR)** to ensure it contains all of the most recent policies and procedures.

Acquisition Planning: OCAO maintains the Acquisition Planning Wizard to help project managers develop acquisition plans compliant with the GSA acquisition planning order. This disciplined approach to acquisition planning will result in improved results from contracts, to include on-time delivery of the right solution within budget and that fulfills the socio-economic goals for which the agency and the Chief Acquisition Officer are responsible.

Acquisition Systems: OCAO manages the government-wide Integrated Acquisition Environment (IAE) to ensure that acquisition professionals have the tools necessary to make intelligent acquisition decisions. The IAE accomplishes this by providing a common, integrated business process for buyers and sellers and increasing data-sharing to enable better business decisions.

Acquisition Workforce Development: The Federal Acquisition Institute (FAI) within the OCAO has statutory responsibilities to lead acquisition workforce management in accordance with the Office of Federal Procurement Policy Act (41 USC 403 et seq.) and manages the development of a skilled, high-performing acquisition workforce by providing exceptional training. FAI: (1) works in partnership with the Defense Acquisition University (DAU) and Office of Personnel Management (OPM) to establish and maintain core acquisition workforce competencies, (2) operates and manages the Acquisition Career Management Information System (ACMIS), a government-wide database of information on acquisition workforce qualifications, (3) maintains a career development program for Federal acquisition professionals, and (4) manages Federal acquisition certification programs.

Regulatory and Federal Assistance: OCAO disseminates a variety of Federal regulations, including: the Federal Acquisition Regulation (FAR), the Federal Travel Regulation (FTR), the Federal Management Regulation (FMR), and the Federal Property Management Regulation (FPMR). OCAO also provides the **Catalog of Federal Domestic Assistance (CFDA)**, a compendium of all domestic assistance programs managed by Federal agencies.

FY 2009 Budget Request

The FY 2009 budget requests \$12,440 thousand for the Office of Chief Acquisition Officer (OCAO); an increase of \$2,633 over the FY 2008 appropriated level. The requested increase includes \$270 thousand for the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise and cost increases for inflation; \$363 thousand to provide additional staffing for the Federal Acquisition Institute (FAI); and \$2,000 thousand to fund FAI training support activities.

Funds requested for the pay raise and inflation would allow OCAO to maintain current levels of service and provide the following new initiatives in FY 2009:

- Create a GSA-wide acquisition workforce recruitment and retention strategy, including improved intern programs (currently, half of interns are lost within the first year) and a long-term training plan that integrates common requirements from all GSA organizations.
- Improve cycle time for Federal Acquisition Regulation (FAR) updates, with a goal of an average processing time of 52 weeks per FAR business case.
- Review and implement recommendations of the Services Acquisition Reform Act (SARA) Panel with a particular focus on proposed changes to the Commercial Items provisions in the FAR and Acquisition workforce development issues.
- Support the President's e-Gov initiatives through OCAO Integrated Acquisition Environment and significantly enhance the capability of Federal Procurement Data System (FPDS), the single authoritative source of procurement business information for the Federal government.

The FY 2009 budget requests 3 FTE and \$363 thousand for Federal Acquisition Institute (FAI) staffing increases, and \$2,000 thousand to fund FAI training support activities currently being paid from the Acquisition Workforce Training Fund (AWTF) and to support direct training of acquisition professionals on their responsibilities under COOP and the National Response Plan. The requested increase provides additional staffing to meet higher demands for acquisition training government-wide and will permit AWTF resources to be used for direct training delivery.

The additional funding requested will allow FAI to: (1) manage the Acquisition Workforce Training Fund (AWTF) established under the Services Acquisition Reform Act (SARA, P.L. 108-136), and deliver more training with Fund resources; (2) leverage existing course offerings and develop new courses based on need; (3) promote performance support tools; (4) promote equivalent providers for common curricula; (5) establish performance measures for FAI to measure the effectiveness of training delivered; (6) establish performance measures that agencies may use in assessing their acquisition workforce development programs; and (7) conduct strategic analyses of the acquisition workforce.

THIS PAGE INTENTIONALLY LEFT BLANK

U.S. General Services Administration

OPERATING EXPENSES

Fiscal Year 2009 Budget Request

CONTENTS

Appropriations Language	2
Analysis of Language Provisions and Changes	3
Explanation of Changes, Appropriated Dollars and FTE	4
Amounts Available for Obligation	5
Summary of Request	6
Obligations by Object Classification	8
Obligations by Program	9
Explanation of Changes by Program.....	10
Federal Acquisition Service, Personal Property Program	12
Public Buildings Service, Office of Real Property Disposal	17
Office of Citizen Services and Communications.....	24
Management and Administration.....	26
Civilian Board of Contract Appeals.....	28

Appropriations Language

For expenses authorized by law, not otherwise provided for, for Government-wide activities associated with utilization and donation of surplus personal property; disposal of real property; agency-wide policy direction, management, and communications; Civilian Board of Contract Appeals; services as authorized by 5 U.S.C. 3109; and not to exceed \$7,500 for official reception and representation expenses, **\$71,811,000**.

Analysis of Language Provisions and Changes

Language Provision [delete] <u>insert</u>	Explanation
For expenses authorized by law, not otherwise provided for, for Government-wide activities associated with utilization and donation of surplus personal property; disposal of real property; [providing Internet access to Federal information and services;] ...	The deleted language reflects GSA's requested transfer of USA.gov Technologies and Intergovernmental Solutions funding out of the Operating Expenses appropriation and into the Federal Citizen Services (FCS) Fund in FY 2009; the requested transfer would consolidate all funding for GSA citizen-facing activities into the FCS Fund.
... agency-wide policy direction, [and] <u>management, and communications;</u> ...	The inserted language clarifies the purpose of the appropriation by explicitly identifying internal and external communications activities as authorized uses of the funds.
... [Board of Contract Appeals] <u>Civilian Board of Contract Appeals;</u> ...	This amendment updates the language to reflect the FY 2007 consolidation of Federal civilian boards of contract appeals, in accordance with section 847 of P.L. 109-163.
... [accounting, records management, and other support services incident to adjudication of Indian Tribal claims by the United States Court of Federal Claims;] ...	The deleted language reflects the close-out of the Indian Trust Accounting Division and termination of all related activities within GSA.

U.S. General Services Administration
 Operating Expenses

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

	<u>FTE</u>	<u>Budget Authority</u>
2008.....	436.0	\$85,870
2009.....	<u>369.0</u>	<u>\$71,811</u>
Net Change.....	-67.0	-\$14,059
<hr/>		
	<u>FTE</u>	<u>Budget Authority</u>
Adjustments to the FY 2008 Base:		
Civilian Board of Contract Appeals consolidation savings ¹	-7.0	\$0
Maintaining Current Levels:		
Annualization of FY 2008 Pay Act (3.5%), January 2008		\$613
Wage board and Pay Act Increase (3.0%), January 2009		\$1,122
Inflation		<u>\$1,131</u>
Subtotal, Maintaining Current Levels.....		\$2,866
Program Decreases:		
Reduction for Unfunded FTE	-34.0	\$0
Program Increases:		
Establish permanent funding for the Federal Employee Roundtable to support Public Service Recognition Week	0.0	\$150
Increase staffing for the Office of Emergency Response and Recovery to better support Executive Branch reconstitution and recovery operations in the aftermath of an emergency or disaster	9.0	\$1,207
Subtotal, Program Increases.....	<u>9.0</u>	<u>\$1,357</u>
Transfers:		
Transfer USA.gov IT services to the Federal Citizen Services Fund, which would consolidate all USA.gov funding in a single account	-35.0	-\$18,282
Net change	-67.0	-\$14,059

Amounts Available for Obligation
(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Request
Unobligated balance, start of year.....	\$2,749	\$2,857	\$2,857
Discretionary authority:			
Annual appropriation.....	\$83,176	\$85,870	\$71,811
Transferred from other accounts (annual) ¹	2,823	0	0
Transferred from other accounts (no-year) ¹	538	0	0
Subtotal, appropriation.....	\$86,537	\$85,870	\$71,811
Reimbursable authority:			
New authority.....	\$3,209	\$14,413	\$14,515
Change in uncollected payments.....	2,337	0	0
Subtotal, reimbursable authority.....	\$5,546	\$14,413	\$14,515
Recovery of prior-year obligations.....	\$16	\$0	\$0
Unobligated balance, expiring.....	-\$6,829	\$0	\$0
Unobligated balance, reimbursable.....	-\$980	\$0	\$0
Unobligated balance, end of year.....	-\$2,857	-\$2,857	-\$2,857
Total, obligations	\$84,182	\$100,283	\$86,326
Obligations, appropriated (annual).....	79,170	85,870	71,811
Obligations, appropriated (no-year).....	446	0	0
Obligations, reimbursable.....	4,566	14,413	14,515
<i>Net Outlays</i> ²	\$83,293	\$85,943	\$78,147

NOTES:

¹ FY 2007 budget authority includes the transfer in of a total of \$3,361 thousand for the consolidation of the Civilian Board of Contract Appeals, in accordance with section 847 of P.L. 109-163. The consolidation produced efficiency savings allowing for the reduction of 7 FTE from pre-consolidation staffing levels. The salaries and benefits associated with these FTE were not transferred to GSA and are not included in the FY 2007 appropriated level or the FY 2008 base budget.

² FY 2007 net outlays include \$286 thousand in outlays from the No-Year appropriation; FY 2008 includes \$160 thousand.

Summary of Request

The Operating Expenses appropriation provides for the salaries and expenses of a variety of GSA activities that would not be feasible or appropriate for a user fee arrangement. GSA is requesting a total of \$71,811 thousand in fiscal year 2009 for the programs in this account, a decrease of \$14,059 thousand over the FY 2008 appropriated level. The request also includes a permanent reduction of 34 FTE that are unencumbered and cannot be filled at the current funding level.

The FY 2009 request includes an increase of **\$2,866 thousand** for the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and cost increases for inflation. This increase would allow GSA to maintain current levels of service in the programs funded by Operating Expenses:

- The Personal Property program, which transfers personal property no longer needed by a Federal agency to other Federal agencies, state and local governments, and nonprofit organizations, saving them millions of dollars per year;
- The Office of Real Property Disposal, which assists Federal landholding agencies in realizing maximum utilization of their real property holdings and, when appropriate, transfers or sells unneeded properties to benefit the Federal government and surrounding communities;
- The Office of Communications, which provides internal communications to GSA employees and represents GSA externally via the national and international media;
- Management & Administration, which provides top-level agency-wide management and administration, supports government-wide emergency response and recovery activities, and provides administrative support to Congressional District and Senate State offices; and
- The Civilian Board of Contract Appeals, which adjudicates contract claims between government contractors and most civilian Federal agencies.

The FY 2009 budget requests a net increase **9 FTE and \$1,207 thousand** to fill critical staffing needs in the Office of Emergency Response and Recovery (OERR). OERR's base budget does not provide sufficient resources to support GSA's assigned role in Executive Branch emergency response and recovery activities. The resources requested would improve the coordination and overall effectiveness of GSA's response during and in the aftermath of emergencies and disasters, and to populate rapid response teams to deploy to FEMA National and Regional Response Coordination Centers. The resources requested would allow GSA to establish and effectively coordinate policies and plans with the Department of Homeland Security (DHS) and other Federal departments and agencies, to provide synchronized and integrated GSA support for activities in support of Federal, state, tribal, and local emergency preparedness efforts. Additional resources are also requested to allow GSA to fulfill its required role in facilitating interagency efforts to meet minimum continuity communications requirements for all Executive branch departments and agencies.

These resources are essential for GSA to fulfill its responsibilities to (1) assist DHS in assuring the preparedness of the Executive Branch for emergencies and disasters and (2) to support all Federal agencies in the reconstitution and recovery of the government in the aftermath of such events. GSA has been assigned specific, on-going planning and preparedness responsibilities, including: coordinating the provision of Executive Branch facilities to support continuity operations; maintaining a centralized procurement function for all Executive continuity infrastructure

requirements; and assisting DHS in conducting continuity tests, training, exercises, assessments, and other preparedness activities. In the event of an actual emergency or disaster, GSA will assist the Secretary of Homeland Security and affected departments and agencies in their recovery and reconstitution. A more detailed explanation of the proposed application of these resources is provided, beginning on page OE-26.

The FY 2009 budget also requests **\$150 thousand** for the Federal Employees Roundtable, to sponsor the Public Service Recognition Week. This request would provide permanent funding for a program that is supported every year by both the Executive and Legislative branches, but has traditionally not been separately provided for within this appropriation.

The FY 2009 budget requests the transfer of **35 FTE and \$18,282 thousand** for USA.gov Technologies and Intergovernmental Solutions to the new Federal Citizen Services (FCS) appropriation. This transfer would consolidate funding for all GSA citizen-centric programs into a single appropriation. The current appropriations structure provides two separate funding sources for programs that are currently organized and managed as a single unit within GSA's Office of Citizen Services. The proposed consolidation of funding will enable GSA to budget, control and report total program costs in a single appropriation, and total program costs to be more closely aligned with outcome-oriented performance measures associated with GSA citizen-facing programs. These improvements will increase managerial accountability for expenditure of Federal funds and will support budget and performance integration. This consolidation will better support the cost-effective delivery of services to taxpayers and Federal, state and local government organizations.

Reimbursable Program: In FY 2009, the programs of the Operating Expenses appropriation plan to provide reimbursable services to other Federal agencies in the amount of 17 FTE and \$14,515 thousand. This amount includes:

- 10 FTE and \$3,015 thousand to store excess personal property during the required disposal screening process, when requested by the donating agency; and
- 7 FTE and \$11,500 thousand for real estate disposal services for: (a) specialized properties outside the purview of the Federal Property and Administrative Services Act of 1949; and (b) real property seized, forfeited, or foreclosed on by other agencies.

U.S. General Services Administration
Operating Expenses

Obligations by Object Classification

(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Request
11.1 Full-time, permanent.....	\$31,857	\$38,005	\$35,869
11.3 Other than full-time permanent.....	75	158	162
11.5 Other personnel compensation.....	1,063	1,295	1,367
11.8 Special personal services payments.....	34	0	0
12.1 Civilian personnel benefits.....	7,230	8,543	8,091
21.0 Travel and transportation of persons.....	1,297	397	408
22.0 Transportation of things.....	17	21	21
23.1 Rental payments to GSA.....	4,494	4,661	4,488
23.2 Rental payments to others.....	206	205	214
23.3 Communications and utilities.....	1,071	563	549
Subtotal, Rent, communications & utilities.....	\$5,771	\$5,429	\$5,251
24.0 Printing and reproduction.....	166	111	522
25.1 Advisory and assistance services.....	11,829	12,500	3,424
25.2 Other services.....	15	2,513	1,931
25.3 Goods & services from Gov't accounts.....	18,536	16,160	13,529
25.4 Operation and maintenance of facilities.....	0	0	0
25.7 Operation and maintenance of equipment.....	31	50	52
Subtotal, Contractual services.....	\$30,411	\$31,223	\$18,936
26.0 Supplies and materials.....	507	447	837
31.0 Equipment.....	592	241	197
41.0 Grants, subsidies, and contributions.....	150	0	150
99.0 Obligations, appropriated (annual).....	\$79,170	\$85,870	\$71,811
Subtotal, PC&B.....	40,259	48,001	45,489
Subtotal, Non-labor.....	38,911	37,869	26,322
99.0 Obligations, appropriated (no-year).....	\$446	\$0	\$0
99.0 Obligations, reimbursable.....	4,566	14,413	14,515
99.9 Total obligations.....	\$84,182	\$100,283	\$86,326

Obligations by Program
(Dollars in Thousands)

	<u>2007 Actual</u>		<u>2008 Current</u>		<u>2009 Request</u>	
	FTE	obligations	FTE	obligations	FTE	authority
1. Personal Property Management:						
Annual appropriation	75.0	\$11,507	112.0	\$12,253	95.0	\$12,648
Reimbursable authority	<u>11.0</u>	<u>2,006</u>	<u>10.0</u>	<u>2,913</u>	<u>10.0</u>	<u>3,015</u>
Subtotal, Personal Property.....	86.0	\$13,513	122.0	\$15,166	105.0	\$15,663
2. Real Property Disposal:						
Annual appropriation	89.0	\$15,170	101.0	\$16,530	101.0	\$17,066
No-year appropriation	0.0	446	0.0	0	0.0	0
Reimbursable authority	<u>0.0</u>	<u>2,560</u>	<u>7.0</u>	<u>11,500</u>	<u>7.0</u>	<u>11,500</u>
Subtotal, Real Property.....	89.0	\$18,176	108.0	\$28,030	108.0	\$28,566
3. Citizen Services & Communications:						
a. Citizen Services						
Annual appropriation	31.0	\$18,611	37.0	\$17,815	0.0	\$0
b. Communications						
Annual appropriation	<u>40.0</u>	<u>7,627</u>	<u>40.0</u>	<u>7,349</u>	<u>40.0</u>	<u>7,657</u>
Subtotal, CSC.....	71.0	\$26,238	77.0	\$25,164	40.0	\$7,657
4. Management and Administration:						
a. General Management:						
Annual appropriation	65.0	\$17,396	92.0	\$21,528	77.0	\$22,389
b. Office of Emergency Response & Recovery:						
Annual appropriation	5.0	1,078	6.0	1,220	15.0	2,427
c. Federal Employee Roundtable:						
Annual appropriation	<u>0.0</u>	<u>150</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>	<u>150</u>
Subtotal, M&A.....	70.0	\$18,624	98.0	\$22,748	92.0	\$24,966
5. Civilian Board of Contract Appeals						
Annual appropriation	33.0	\$7,631	41.0	\$9,175	41.0	\$9,474
No-year appropriation	<u>0.0</u>	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>	<u>0</u>
Subtotal, CBCA.....	33.0	\$7,631	41.0	\$9,175	41.0	\$9,474
Total, Annual appropriation	338.0	\$79,170	429.0	\$85,870	369.0	\$71,811
Total, No-year appropriation	0.0	446	0.0	0	0.0	0
Total, Reimbursable	11.0	4,566	17.0	14,413	17.0	14,515
Total, Budget Authority	349.0	\$84,182	446.0	\$100,283	386.0	\$86,326

U.S. General Services Administration
Operating Expenses

Explanation of Changes by Program

(Dollars in Thousands)

	Personal Property		Real Property Disposal		Citizen Svcs. & Comm.	
	FTE	authority	FTE	authority	FTE	authority
FY 2008 Appropriation	112.0	\$12,253	101.0	\$16,530	77.0	\$25,164
Adjustments to the FY 2008 Base:						
Reduction for CBCA FTE savings						
Maintaining Current Levels:						
Part Year Increase for FY 2008 Pay Act (3.5%), Effective January 2008		115		149		134
Wage Board and Pay Act Increase (3.0%), Effective January 2009		212		266		241
Inflation		68		121		400
Program Decreases:						
FTE Decrease for Unfunded FTE	-17.0				-2.0	
Program Increases:						
Employee Roundtable						
Office of Emergency Response & Recovery Staffing Increase						
Program Transfers:						
USA.gov IT Infrastructure to FCS					-35.0	-18,282
FY 2009 Budget Request	95.0	\$12,648	101.0	\$17,066	40.0	\$7,657

U.S. General Services Administration
Operating Expenses

Management & Administration		Civ. Board of Contract App.		TOTAL		
FTE	authority	FTE	authority	FTE	authority	
98.0	\$22,748	48.0	\$9,175	436.0	\$85,870	FY 2008 Appropriation
						Adjustments to the FY 2008 Base:
		-7.0		-7.0		Reduction for CBCA FTE savings
						Maintaining Current Levels:
	133		82		613	Part Year Increase for FY 2008 Pay Act (3.5%), Effective January 2008
	253		150		1,122	Wage Board and Pay Act Increase (3.0%), Effective January 2009
	475		67		1,131	Inflation
						Program Decreases:
-15.0				-34.0		FTE Decrease for Unfunded FTE
						Program Increases:
	150				150	Employee Roundtable
9.0	1,207			9.0	1,207	Office of Emergency Response & Recovery Staffing Increase
						Program Transfers:
				-35.0	-18,282	USA.gov IT Infrastructure to FCS
92.0	\$24,966	41.0	\$9,474	369.0	\$71,811	FY 2009 Budget Request

NOTE: FY 2007 budget authority includes the transfer in of a total of \$3,361 thousand for the consolidation of the Civilian Board of Contract Appeals, in accordance with section 847 of P.L. 109-163. The consolidation produced efficiency savings allowing for the reduction of 7 FTE from pre-consolidation staffing levels. The salaries and benefits associated with these FTE were not transferred to GSA and are not included in the FY 2007 appropriated level or the FY 2008 base budget.

Federal Acquisition Service, Personal Property Program

Program Description

The Federal Acquisition Service (FAS) Personal Property program facilitates the transfer of Federal personal property among Federal agencies, states, and localities. Personal property no longer needed by a Federal agency may be offered at no cost to other Federal agencies, state and local governments, and eligible nonprofit groups. These functions are managed and operated by the Utilization and Donation program, which is funded through the Operating Expenses appropriation.

Utilization and Donation: All Federal agencies must use excess personal property as the first source of supply. When an item is determined to be “in excess”, it is offered first to other Federal agencies and will be transferred at no cost, if it can be used. If the property is not needed by a Federal agency, it is offered to non-Federal government organizations on an “as is, where is” basis, with no warranty. Every agency must report excess personal property to GSA through the use of GSAXcess®, to expedite the disposal process.

The utilization and donation program saves money for recipient organizations and promotes the efficient use of government resources. The program includes Computer for Learning (CFL), which transfers excess Federal computer equipment to schools and non-profit educational organizations, giving special consideration to those with the greatest financial need. In FY 2007, an estimated \$32 million in CFL property was redistributed for continued use.

Sales: When excess personal property cannot be disposed of through re-utilization or donation, the FAS Personal Property Sales Program allows Federal agencies to sell property directly to the public. GSA sells agency surplus property through GSA Auctions® to ensure quick disposal of assets, reduced administrative costs, and maximum return on investment. Expenses incurred to operate this segment of the Personal Property program are financed by the Acquisition Services Fund, through a portion of the proceeds realized from the sale of excess personal property.

FY 2009 Budget Request

The FY 2009 budget requests \$12,648 thousand for personal property utilization and donation activities, an increase of \$395 thousand over the FY 2008 appropriated level. This increase would fund the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and cost increases for inflation. The request also includes a reduction of 17 FTE that are unencumbered and cannot be filled at the current funding level.

In FY 2009, the Utilization and Donation program will continue to maximize tax dollars invested in Government-owned personal property by transferring one agency’s excess property to another that can use it and by donating surplus Federal property to states or localities. In FY 2007, Utilization and Donation avoided an estimated \$871 million in costs for Federal, state and local governments, and for eligible non-profits by transferring and donating excess personal property. Cost avoidance estimates for FY 2008 and FY 2009 are \$850 million and \$825 million per annum, respectively.

Customer outreach and training will continue to be an integral part of operations in FY 2009 and beyond. The Department of Defense is the largest generator of excess property and the De-

partment of the Interior's U.S. Forest Service is the largest recipient of excess property. An aggressive nationwide schedule of customer outreach and training will promote the benefits of using utilization and donation programs to key and new customers at national events and during regional customer visits/training opportunities.

In FY 2009, Utilization and Donation will deliver process improvements to maximize the use of on-line tools; optimize reliable, timely and quality service; and improve information technology solutions for a fully integrated disposal program. Recently, the Personal Property Program enhanced GSAXcess® to enable users to prioritize items being processed for checkout, added the ability to search for property by condition of the property, and streamlined the agency disposal process by allowing pictures to be posted on-line at the start of the disposal process. Personal Property Management will build on these improvements by deploying new modules of GSAXcess® to support the Computers for Learning program and the foreign gifts disposition program. GSAXcess® is constantly being updated with new tools to facilitate the utilization and donation of excess supplies. Technology enhancements in GSAXcess® provide benefits to all agencies that participate as generators and recipients of excess property.

Program Performance Information

This section presents selected program performance information, including GPRA goals, objectives, measures and performance targets and results.

Long-Term Outcome Goal: Provide optimal property disposal solutions for Federal agencies to maximize cost avoidance, while efficiently and effectively managing the exchange/sale of surplus property.

Performance Goal: Decrease the time it takes to complete disposal action for excess property to 54 days by FY 2009.

The benchmark for this goal was established in 2001 when the actual cycle time for the full disposal process was 132 days: The program has made substantial progress in this area over the past six years. GSA is currently reviewing all of its external performance goals and measures and will revise targets or replace measures that do not match current performance or the current state of the program.

Performance Measure: Cycle time for full disposal process (days).

FAS is committed to operating efficiently and effectively, and minimizing operating costs. FAS measures the number of days to dispose of a given item because it is a direct driver of warehousing, personnel and other operating costs incurred by GSA as part of this process, as well as customer satisfaction with the process.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
52	49	55	54
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
53.5	53	52.5	52

Federal Acquisition Service, Personal Property Program

Program Outcome Measures

(Dollars in Thousands)

Long Term Outcome Goal

Provide optimal property disposal solutions to Federal agencies to maximize cost avoidance, while efficiently and effectively managing the exchange/sale of surplus property.

Performance Goal	Performance Measure
Decrease the time it takes to complete disposal action for excess property to 54 days by FY 2009	Cycle time for full disposal process (days)
Maintain a customer satisfaction score higher than the Federal Government American Customer Satisfaction Index (ACSI) reflecting customer satisfaction in Government in FY 2007 and each year	External customer satisfaction survey score
Align program operating costs relative to revenue generated by the Sales Program, and strive to maximize the return on these resources.	Operating cost per \$100 of business volume Direct cost of Sales Program as a percent of revenue.

Operating Expenses, Appropriated Funding.....
Operating Expenses, Reimbursable Funding.....
Subtotal, Operating Expenses.....
ASF Funds Allocated To Measures.....
ASF Unallocated Costs.....
Subtotal, Acquisition Services Fund.....
Total.....

NOTE: Performance targets reported here were established in 2001 and represent significant improvements over performance at the time. Actual performance in this program has only recently surpassed

U.S. General Services Administration
Operating Expenses

Funding Source	FY 2007 Actual		FY 2008 Current		FY 2009 Request	
	Actual	Dollars	Target	Dollars	Target	Dollars
Acquisition Services Fund	49	\$6,445	55	\$6,805	54	\$6,800
Operating Expenses Appropriation		\$11,507		\$12,253		\$12,648
Subtotal.....		\$17,952		\$19,058		\$19,448
Acquisition Services Fund	75	\$3,215	75.55	\$3,424	75.55	\$3,527
Acquisition Services Fund	\$8.10	\$1,542	\$ 21.00	\$4,095	\$ 21.00	\$4,218
Acquisition Services Fund	20%	\$1,542	44%	\$4,095	44%	\$4,218
Subtotal.....		\$3,084		\$8,190		\$8,436
.....		\$11,507		\$12,253		\$12,648
.....		<u>\$2,006</u>		<u>\$2,913</u>		<u>\$3,015</u>
.....		\$13,513		\$15,166		\$15,663
.....		\$12,744		\$18,419		\$18,763
.....		<u>\$3,385</u>		<u>\$5,580</u>		<u>\$5,713</u>
.....		\$16,129		\$23,999		\$24,476
.....		\$29,642		\$39,165		\$40,139

these goals. GSA is currently reviewing all of its external performance goals and measures and will update targets or measures that do not match current performance or the current state of the program.

Federal Acquisition Service, Personal Property Program

Program Assessment Rating Tool (PART) review

The Office of Management and Budget (OMB) and the Federal Acquisition Service (FAS) reviewed the Personal Property Management program in the FY 2005 OMB PART review and rated it "Moderately Effective". OMB recommended specific actions to improve the performance of the program. GSA has taken actions to improve program performance; these actions are discussed below.

OMB recommendation: Develop and implement an independent evaluation process that assesses, on a regular basis, the full scope of this program's activities in carry out its mission.

GSA action: The Utilization and Donation program has requested annual, independent review by the GSA Inspector General. The Inspector General has scheduled an entrance briefing for a review of the Utilization and Donation program for Feb 7, 2008.

OMB recommendation: Work with GSA's Office of Governmentwide Policy (OGP) and the National Association of State Agencies for Surplus Property (NASASP) to identify any additional performance measures that should be added to the SASP agreements.

GSA Action: The GSA Legal Counsel reviewed the legality of the proposed action and determined that neither the Federal Acquisition Service nor OGP has the authority to measure the performance of State Agencies for Surplus Property (SASPs), as stated in the recommendation. However, the Personal Property Management program will continue working with OGP within existing authorities to provide sufficient guidance to facilitate SASP performance.

Public Buildings Service, Office of Real Property Disposal

Program Description

The Office of Real Property Disposal (RPD) of the Public Buildings Service (PBS) provides asset management strategies and tools to Federal landholding agencies to maximize utilization of their real property holdings. RPD helps agencies to identify underutilized real properties that should be considered for disposal and, when appropriate, redeploy unneeded properties to benefit the Federal government and surrounding communities or sell them on the open market.

The primary goal of the Office of Real Property Disposal is to ensure cost-effective utilization of Federal real property holdings and efficient disposal of those assets determined to be “in excess”. RPD provides a range of services and activities, including: Real estate consulting assistance; surveys to enhance asset utilization; tools to support redeployment decisions and brokering of transfers of excess properties for further Federal utilization; relocation services; appraisal services and property inspections; and base closure assistance. RPD also provides the following services:

Public Benefit Conveyances (PBC): When property is no longer needed by the Federal Government, GSA partners with other Federal sponsoring agencies to make surplus real estate available to communities for public purposes. The intent of a PBC is to support property uses that benefit the community as a whole.

Lighthouse Program: The National Historic Lighthouse Preservation Act of 2000 (NHLPA) authorizes the disposal of historic lighthouses and stations. NHLPA recognizes the cultural, recreational, and educational value associated with these historic resources by allowing lighthouse properties to be transferred at no cost to Federal agencies, state and local governments, nonprofit corporations and community development organizations for park and recreation, cultural and historic, and educational uses. GSA has transferred 36 historic light stations since 2000.

Early Transfer Authority: Early Transfer Authority (ETA) allows the Federal government to transfer property to non-Federal entities before the completion of environmental cleanup as long as safeguards are in place to protect human health and the environment.

RPD activities benefit the public primarily by ensuring that Federal real property holdings are fully and effectively utilized. RPD supports the President’s Management Agenda and the directives of the Federal Real Property Council to foster improved asset management government-wide. RPD provides asset management and disposal services to support landholding agencies’ efforts to optimize their real estate portfolios and meet the Administration’s goals of disposing of unneeded real property and reducing Federal spending.

Federal real property disposals benefit the public because new use of the land can serve as a catalyst for local revitalization, contribute to the local tax base, or preserve open space. With thousands of Federal properties located throughout the country, RPD is partnering with communities and other stakeholders to ensure that underutilized Federal properties contribute to the enhancement of our nation’s communities.

FY 2009 Budget Request

The FY 2009 Budget requests \$17,066 thousand for the Office of Real Property Disposal, an increase of \$536 thousand over the FY 2008 appropriated level. This increase would fund the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and cost increases for inflation.

In FY 2009, RPD's key business strategy will be to position the organization as the service provider of choice among its customers and maintain the highest level of customer satisfaction. In FY 2007, a comprehensive review of business processes was undertaken and resulted in a reorganization within RPD. The new organization supports the business strategy by putting greater emphasis on building partnerships and alliances with customers and stakeholders. The strategic focus on customer segments allows RPD to react quickly to emerging trends.

Real Property Disposal will continue to offer Federal landholding agencies assistance in developing asset management plans and strategies, in accordance with Executive Order 13327, "Federal Real Property Asset Management", which promotes the efficient and economical use of Federal real property assets. RPD will improve and expand the services it provides to assist landholding Federal agencies in managing their real property assets, including: Understanding the role of each asset in supporting agency mission objectives; examining current and future utilization alternatives; collecting and organizing title, environmental, historical and cultural information; and identifying real estate and community issues affecting the property.

Real Property Disposal will continue to engage its stakeholders through industry and customer forums. In FY 2007, RPD used these forums as part of a broader strategy that resulted in overall satisfaction with the level of expertise provided by GSA of 99 percent. RPD will continue to work with Federal landholding agencies to conduct asset utilization reviews of their real property holdings. A customer development team has been established to ensure that RPD presents a single face to its customers for the full range of services provided.

Reimbursable authority: There has been an increase in the number of agencies given the authority to dispose of real property on their own. However, some of those agencies still elect to use RPD disposal services: RPD performs this work on a reimbursable basis. The Department of Defense (DoD) utilizes RPD for real estate services and current DoD agreements will result in continued workload in FY 2009 and beyond. Based on an analysis of past workload and current service trends, RPD has divided its customer base into military and civilian segments. Within these segments, key core customers have been identified to assist in tailoring realty service offerings.

Program Performance Information

This section presents selected program performance information, including GPRA goals, objectives, measures and performance targets and results. The performance targets reported here were established during the FY 2005 Program Assessment Rating Tool (PART) review and are based on historical data from FY 2001 to FY 2004. However, it is important to note that the real estate market is cyclical, and performance will fluctuate based on the market and economic trends. GSA is currently reviewing all of its external performance goals and measures and will revise targets or replace measures that do not match current performance or the current state of the program.

Public Buildings Service, Office of Real Property Disposal

Long-Term Outcome Goal: To help Federal landholding agencies realize maximum utilization and efficiencies from their real property holdings and, when appropriate, to redeploy their un-needed properties to benefit the Federal Government and surrounding communities or to sell on the open market.

This long-term outcome goal is supported by two long-term outcome measures:

Long-term Measure: Sales proceeds as a percentage of estimated fair market value. The target for 2007, 2008, and 2009 is 120%.

Long-term Measure: Percentage of sales transactions equal to or greater than estimated fair market value. The target for 2007, 2008, and 2009 is 90%.

The Office of Real Property Disposal uses four annual performance goals and measures to gauge progress and performance:

1. **Performance Goal:** Award 95% of utilization and disposal property within 240 days for fiscal year 2009.

Performance Measure: Percentage of utilization and disposal property awarded within 240 days.

The utilization and disposal maximum theoretical time line of 240 days is comprised of 30 days for Federal Screenings, 60 days for Homeless Screenings, 90 days for Homeless Application and Approval Process, and 60 days for Negotiated Sales with Congressional Approval. The average number of utilization and disposal properties awarded within 240 days from FY 2001 to FY 2004 was 64%. RPD has established a target of 95% for FY 2007 and all proceeding years, to drive speedier dispositions.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
97%	100%	95%	95%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
95%	95%	95%	95%

2. **Performance Goal:** Award 100% of public sales within 170 days for fiscal year 2009.

Performance Measure: Percent of public sales awarded within 170 days.

Private sector data indicates that commercial properties average about 170 days in the sale process. RPD has set targets to meet or exceed the 170 day average 100% of the time from FY 2007 through FY 2009.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
100%	100%	100%	100%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
100%	100%	100%	100%

3. **Performance Goal:** Maintain “highly satisfied” ratings of 93% or higher on the Customer Transaction Satisfaction Survey by FY 2009.

Performance Measure: The percent of disposal transactions that “exceed” or “greatly exceed” customer expectations.

The Customer Transaction Satisfaction Survey measures the percent of customers who have graded the program at a 4 or 5 on a scale of 1 to 5, with 3 as “satisfactory”.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
97%	99%	93%	93%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
93%	93%	93%	93%

4. **Performance Goal:** Attain 1.08% cost of sales as a percentage of sales proceeds for reimbursable sales for fiscal year 2009.

Performance Measure: Cost of reimbursable sales as a percentage of sales proceeds.

This measure reports the total cost (including overhead) of reimbursable sales as a percentage of reimbursable sales proceeds. The out-year targets for this measure are based on a sliding scale calculated on normalized projected annual reimbursable sales of \$239.35M.

The majority of costs related to sales are fixed (e.g. appraisals) and not directly related to the sales price. Consequently, as the volume of sales increases there is not a direct increase to costs. Out-year targets of 1.08% were established in FY 2005, based on total sales of \$200M. Actual sales volumes will vary from the baseline, leading to variances in actual results from year-to-year. GSA is currently reviewing all of its external performance goals and measures and will revise targets or replace measures that do not match current performance or the current state of the program.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
0.12%	0.53%	1.08%	1.08%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
1.08%	1.08%	1.08%	1.08%

Program Assessment Rating Tool (PART) review

The Office of Management and Budget (OMB) and the Public Buildings Service (PBS) reviewed the Real Property Disposal program in the FY 2005 OMB PART review and rated it "Moderately Effective". OMB recommended specific actions to improve the performance of the program. GSA has taken actions to improve program performance; these actions are discussed below.

OMB recommendation: The program has developed long-term outcome goals and efficiency measures with ambitious targets that support the purpose of the program. However, the program still needs to commission a regular, independent assessment of its performance. In addition, the program needs to implement a more formal way to hold contractors accountable for achieving program performance goals.

GSA Action: The Office of Real property Disposal has requested an independent review by the GSA Inspector General. Audit findings are expected at the end of FY 2008.

Public Buildings Service, Office of Real Property Disposal

Program Outcome Measures

(Dollars in Thousands)

Long Term Outcome Goal

To help Federal landholding agencies realize maximum utilization and efficiencies from their real property holdings and, when appropriate, to redeploy their unneeded properties to benefit the Federal government and surrounding communities or to sell on the open market.

Performance Goal	Performance Measure
Award 95% of utilization and donation (U&D) property within 240 days for fiscal year 2009.	Percentage of utilization and disposal property awarded within 240 days.
Award 100% of public sales within 170 days for fiscal year 2009.	Percent of public sales awarded within 170 days.
Maintain "highly satisfied" ratings of 93% or higher on the Customer Transactional Satisfaction Survey by FY 2009.	Percent of disposal transactions that "exceed" or "greatly exceed" customer expectations.
Attain 1.08% cost of sales as a percentage of sales proceeds for reimbursable sales for fiscal year 2009.	Cost of reimbursable sales as a percentage of sales proceeds.

Operating Expenses, Annual Appropriation.....
Operating Expenses, No-Year Appropriation ¹
Operating Expenses, Reimbursable Funding.....
Subtotal, Operating Expenses.....
Expenses, Disposal Permanent Appropriation ..
Expenses, Disposal Reimbursable ..
Subtotal, Expenses, Disposal.....
Real Property Relocation Expenses.....
Total.....

¹ Includes Lorton and Governor's Island post-conveyance expenses.

U.S. General Services Administration
Operating Expenses

Funding Source	FY 2007 Actual		FY 2008 Current		FY 2009 Request	
	Actual	Dollars	Target	Dollars	Target	Dollars
Operating Expenses Annual Appropriation	100%	\$11,916	95%	\$12,984	95%	\$13,404
Expenses, Disposal Appropriation		\$2,688		\$8,659		\$8,874
Subtotal.....		\$14,604		\$21,643		\$22,278
Operating Expenses Annual Appropriation	100%	\$2,979	95%	\$3,246	95%	\$3,337
Operating Expenses Reimbursable		\$1,280		\$5,750		\$5,750
Expenses, Disposal Appropriation		\$672		\$2,165		\$2,219
Expenses, Disposal Reimbursable		\$0		\$300		\$300
Subtotal.....		\$4,931		\$11,461		\$11,606
Operating Expenses Annual Appropriation	99%	\$275	93%	\$300	93%	\$325
Operating Expenses Reimbursable	0.53%	\$1,280	1.08%	\$5,750	1.08%	\$5,750
Expenses, Disposal Reimbursable		\$0		\$300		\$300
Subtotal.....		\$1,280		\$6,050		\$6,050
		\$15,170		\$16,530		\$17,066
		446		0		0
		<u>2,560</u>		<u>11,500</u>		<u>11,500</u>
		\$18,176		\$28,030		\$28,566
		\$3,360		\$10,824		\$11,093
		\$0		\$600		\$600
		\$3,360		\$11,424		\$11,693
		\$212		\$10,027		\$2,000
		\$21,748		\$49,481		\$42,259

Office of Citizen Services and Communications

Program Description

The Office of Citizen Services and Communications (OCSC) is comprised of two offices: the Office of Citizen Services and the Office of Communications. Currently, the USA.gov Technologies and Intergovernmental Solutions components of the Office of Citizen Services, as well as the Office of Communications, are funded from the Operating Expenses appropriation. The FY 2009 budget requests the transfer of USA.gov Technologies and Intergovernmental Solutions out of Operating Expenses and into the Federal Citizen Information Center (FCIC) Fund. GSA further requests that the FCIC Fund be re-named the “Federal Citizen Services” (FCS) Fund, to reflect the combination of all GSA citizen-centric activities into a single funding source.

Remaining in the Operating Expense account is the Office of Communications. Its mission is to provide information on the activities of GSA to employees, and external stakeholders including the media, agency customers, the administration, congress and the American public. This is accomplished by a coordinated, integrated program of messaging and strategic communication initiatives. The Office of Communications has two major lines of business:

Enterprise Marketing offers a full array of marketing products and services, including but not limited to—graphics design and products, speech writing, events management, brand management, and printing services.

Public Affairs develops agency-wide communications strategies for internal and external audiences. This organization develops communications strategies for informing internal and external audiences, including the media, about GSA programs, initiatives and policies. GSA Public Affairs is the agency’s official contact point for all national media inquiries.

FY 2009 Budget Request

The FY 2009 budget requests \$7,657 thousand for the Office of Communications; a decrease of \$17,507 thousand over the FY 2008 appropriated level. The request includes a reduction through the transfer of 35 FTE and \$18,282 thousand to the new Federal Citizen Services Fund. This reduction is offset by a \$775 thousand increase to fund the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and cost increases for inflation.

The primary component of the GSA request for the Office of Citizen Services and Communication is the proposed transfer of funding for USA.gov Technologies and Intergovernmental Solutions out of the Operating Expense appropriation and into the Federal Citizen Services (FCS) Fund. This proposal would consolidate all funding for USA.gov into a single account, which will facilitate integration of budget and performance data and ensure appropriate managerial accountability for all aspects of the USA.gov program. Most importantly, this transfer realigns program funding to match the organizational structure of OCSC and to better support the delivery of services to taxpayers and other Federal, state and local government organizations.

In FY 2009, the Office of Communications will continue to realize improvements in the dissemination of routine and urgent information to GSA employees and the media through the most appropriate channel. To do this, the organization will continually examine operations, staffing allocation, resources, skill gaps, training needs, current industry trends and new technology to effectively communicate in a timely and accurate manner.

In FY 2009, the Office of Communications will continue its efforts to provide information and messaging allowing both internal and external audiences to better understand and appreciate GSA's mission, programs and goals. The Office of Communications will employ the following strategies to maintain its performance:

- Conduct educational communications outreach within the agency and with the news media.
- Provide opportunities for communication specialists to learn about different areas of GSA.
- Conduct Public Affairs Forums with Regional public affairs officials.
- Maximize the use of technology and ensure appropriate training for employees.
- Continue on-going efforts to review and document office procedures

Management and Administration

Program Description

This program area supports a variety of general management and administrative activities associated with GSA internal operations. These activities include: (1) the Office of the Administrator, (2) the Regional Administrators and their immediate staffs, (3) the Office of Congressional and Intergovernmental Affairs and administrative support of Congressional District and Senate State offices; and (4) the GSA Office of Emergency Response and Recovery.

The Administrator and Regional Administrators are responsible for the execution of all functions assigned to GSA by the Federal Property and Administrative Services Act of 1949, as amended, and by other laws.

Office of Congressional and Intergovernmental Affairs (OCIA) is GSA's liaison with Congress. OCIA coordinates meetings and testimony before Congressional Committees for the Administrator and other agency senior staff; helps Congressional offices resolve issues related to GSA programs and services; and supports the GSA legislative program through Congress. OCIA is GSA's liaison with other Federal agencies and provides support to Congressional offices:

Congressional Support: GSA provides over 1,400 home-state/district offices for the Congress. GSA support includes acquisition of office space, furniture and furnishings, property disposal, equipment and supplies, and storage and relocation services. GSA also provides Congressional Services Representatives in each GSA region as the contact points for all matters pertaining to Congressional State and District offices.

The Office of Emergency Response and Recovery (OERR) executes GSA's responsibilities to: assist Federal agencies; respond to aid state and local governments; support client agency needs; and restore our own operations during domestic and national security emergencies. OERR plays an active role in the planning for all types of emergencies and provides support during incidents of national significance, as defined in the National Response Plan (NRP). Additionally, OERR ensures that Executive Branch departments and agencies have the tools needed to comply with Continuity of Operations (COOP) directives and conducts COOP training for Federal departments and agencies.

FY 2009 Budget Request

The FY 2009 budget requests \$24,966 thousand for General Management and Administration activities, an increase of \$2,218 thousand over the FY 2008 appropriated level. The requested increase includes \$861 thousand to fund the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and cost increases for inflation; \$150 thousand to establish permanent funding for the Federal Employee Roundtable Public Service Recognition Week; and \$1,207 thousand to provide additional staffing for the Office of Emergency Response and Recovery.

The FY 2009 request includes \$1,207 thousand to provide an additional **9 FTE** to the Office of Emergency Response and Recovery (OERR). These resources are critical to meeting the new responsibilities assigned to GSA by National Security Presidential Directive – 51/Homeland Security Presidential Directive – 20 (NSPD-51/HSPD-20), the National Continuity Policy Implementation Plan (NCPIP), and National Communications System Directive 3-10 (NCS 3-10).

NSPD-51/HSPD-20, the NCPIP and NCS 3-10 create new responsibilities which direct GSA to support the Department of Homeland Security (DHS) in conducting Executive Branch continuity tests, training, exercises, assessments, and other preparedness activities. GSA requests **2 FTE** to coordinate GSA policies and plans with DHS/FEMA and other Federal departments and agencies to synchronize and integrate GSA support for activities in support of Federal, state, tribal, and local emergency preparedness efforts; oversee the development of GSA plans to provide resource support to Federal, state, local and tribal entities during Federal disasters or any incident of National significance; and to ensure DHS/FEMA and other Federal departments and agencies policies and plans accurately reflect GSA's support activities.

NCS 3-10 assigns GSA responsibility for facilitating interagency efforts to meet minimum continuity communications requirements for all Executive branch departments and agencies. GSA requests **1 FTE** to develop detailed technical, procurement and operational security guidance for the continuity communications capabilities required by NCS 3-10 across Federal departments and agencies; and to coordinate and assist in Executive Branch procurement and acquisition of supplies, services, and space necessary to implement NCS 3-10 requirements.

The NCPIP directs GSA to coordinate the provision of Executive Branch facilities to support continuity operations and maintain a database of all department and agency facilities, and to maintain a centralized procurement function for all department and agency continuity infrastructure requirements. GSA requests **1 FTE** to provide a project manager for the development, implementation and maintenance of the alternate facilities database for the entire Federal government; and to provide and maintain a centralized procurement system for all department and agency continuity infrastructure requirements.

The NCPIP further directs GSA to assist the Secretary of Homeland Security and affected departments and agencies in their recovery and reconstitution, in the event of an actual emergency or disaster. GSA requests **5 FTE** to coordinate GSA's response during and in the aftermath of emergencies and disasters, and to populate rapid response teams to deploy to FEMA National and Regional Response Coordination Centers. When not responding to a specific event, these resources would be dedicated to ensuring mutual understanding and unity of purpose and action when planning, responding and recovering from all contingencies; and establishing and maintaining close, continuous physical communication with DHS, DoD's NORTHCOM, and GSA's Federal civilian partners.

Civilian Board of Contract Appeals

Program Description

The Civilian Board of Contract Appeals (CBCA) was established within GSA by section 847 of the National Defense Authorization Act for FY 2006, to hear and decide contract disputes between Government contractors and Executive agencies (other than the Department of Defense, the National Aeronautics and Space Administration, the United States Postal Service, the Postal Rate Commission, and the Tennessee Valley Authority) under the provisions of the Contract Disputes Act of 1978 and associated regulations and rulings. Effective January 6, 2007, boards of contract appeals of the Departments of Agriculture, Energy, Housing and Urban Development, Interior, Labor, Transportation, and Veterans Affairs were terminated, and their cases, Board judges, other personnel, and FY 2007 funding were transferred to the new Civilian Board.

The CBCA also provides alternative dispute resolution services to Executive agencies, both in contract disputes that are the subject of a contracting officer's decision and in other contract-related disputes. Additionally, the CBCA hears and decides other cases including Contract Disputes Act appeals relating to Indian Self-Determination and Education Assistance Act contracts, and appeals from disallowance by the Secretary of the Interior of costs payable under that Act; appeals of final administrative determinations of the Federal Crop Insurance Corporation pertaining to standard reinsurance agreements; claims involving transportation rate determinations; and travel and relocation expense claims by Federal civilian employees.

FY 2009 Budget Request

The FY 2009 budget requests \$9,474 thousand for the Civilian Board of Contract Appeals, an increase of \$299 thousand over the FY 2008 appropriated level. This increase would fund the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and cost increases for inflation.

U.S. General Services Administration
FEDERAL CITIZEN SERVICES FUND
Fiscal Year 2009 Budget Request

CONTENTS

Appropriations Language	2
Analysis of Language Provisions and Changes	3
Explanation of Changes, Appropriated Dollars and FTE	4
Amounts Available for Obligation	5
Summary of Request.....	6
Obligations by Object Classification	7
Obligations by Program	8
Program Description.....	9
Program Performance Information	14
Program Outcome Measures	16

Appropriations Language

For necessary expenses of the Office of Citizen Services, including services authorized by 5 U.S.C. 3109, **\$36,558,000**, to be deposited into the Federal Citizen Services Fund: Provided, That the appropriations, revenues, and collections deposited into the Fund shall be available for necessary expenses of Federal Citizen Services activities in the aggregate amount not to exceed \$50,000,000. Appropriations, revenues, and collections accruing to this Fund during fiscal year 2009 in excess of such amount shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

Analysis of Language Provisions and Changes

Language Provision [delete] <u>insert</u>	Explanation
<p>For necessary expenses of the [Federal Citizen Information Center] <u>Office of Citizen Services</u>, ...</p> <p>... to be deposited into the [Federal Citizen Information Center] <u>Federal Citizen Services</u> Fund: Provided, That the appropriations, revenues, and collections deposited into the Fund shall be available for necessary expenses of [Federal Citizen Information Center] <u>Federal Citizen Services</u> activities ...</p>	<p>The proposed changes would re-name the Federal Citizen Information Center appropriation and revolving fund, calling them "Federal Citizen Services". The new title better represents the Office of Citizen Services' continuing role in delivering transparent, citizen-centric and accessible services to citizens, businesses, and other government entities.</p>
<p>... Provided, That the appropriations, revenues, and collections deposited into the Fund shall be available for necessary expenses of Federal Citizen Services activities in the aggregate amount not to exceed [\$42,000,000] \$50,000,000. Appropriations, revenues, and collections accruing to this Fund during fiscal year 2009 in excess of such amount shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.</p>	<p>This provision establishes the aggregate ceiling on expenditures for the revolving fund, as set forth in 40 U.S.C. 323(c). GSA requests an increase of \$8 million to the FY 2009 cap to accommodate the additional expenditures from the proposed transfer of USA.gov Technologies and Intergovernmental Solutions into the Fund.</p>

Explanation of Changes, Appropriated Dollars and FTE

(Dollars in Thousands)

	<u>FTE</u>	<u>Budget Authority</u>
2008.....	51.0	\$17,328
2009.....	<u>86.0</u>	<u>\$36,558</u>
Net Change.....	35.0	\$19,230

	<u>FTE</u>	<u>Budget Authority</u>
Maintaining Current Levels:		
Annualization of FY 2008 Pay Act (3.5%), Effective January 2008		\$44
Wage board and Pay Act Increase (2.9%), Effective January 2009		\$133
Inflation		\$309
Subtotal, Maintaining Current Levels.....		<u>\$486</u>
Program Increase:		
Enhance Services to Citizens.....		\$462
Program Transfers:		
USA.gov Technologies & Intergovernmental Solutions.....	35.0	\$18,282
Net Change.....	35.0	\$19,230

Amounts Available for Obligation

(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Request
Unobligated balance, start of year.....	\$9,200	\$9,362	\$9,467
Discretionary authority:			
Annual appropriation.....	\$14,874	\$17,328	\$36,558
Reimbursable authority:			
Publication Distribution/NCC Services:			
From Federal Agencies.....	\$12,437	\$7,874	\$8,152
From the Private Sector.....	525	606	631
User Fees.....	84	95	90
Gifts from the Private Sector.....	30	10	10
Other reimbursable authority.....	597	1,582	1,567
Subtotal, reimbursable authority.....	\$13,673	\$10,167	\$10,450
Change in uncollected customer payments.....	-\$479		
Recovery of prior-year obligations.....	\$773		
Unobligated balance, end of year.....	-\$9,362	-\$9,467	-\$9,567
Total, obligations.....	\$28,679	\$27,495	\$47,008
Obligations, appropriated.....	14,789	17,328	36,558
Obligations, reimbursable.....	13,890	10,167	10,450
<i>Net Outlays</i>	<i>\$14,048</i>	<i>\$17,328</i>	<i>\$36,558</i>

Summary of Request

The Federal Citizen Services Fund (FCS) appropriation provides for the salaries and expenses of the Office of Citizen Services (OCS). The FY 2009 request proposes changing the name of this appropriation from “Federal Citizen Information Center Fund” to “Federal Citizen Services Fund”. GSA is requesting new appropriations language for this Fund, and section 526 of GSA’s Administrative Provisions proposes conforming amendments to the authorizing language (40 U.S.C. 323).

GSA has proposed the new title of “Federal Citizen Services” to more clearly depict the relationship that today’s citizens have with and expect from their government. The Office of Citizen Services (OCS) leverages a range of tools – the Internet, e-mail, print publications, and telephone contact centers – to make government more transparent, citizen-centric, and accessible. OCS activities extend beyond distributing information: OCS provides public access to a wide variety of Federal benefits and services, as well as access to state, territorial, local and Indian tribal governments. The new title proposed here better represents OCS’ primary mission of providing access points for citizens, businesses, other governments, and the media to easily obtain government information and services via the Web, e-mail, print, and over the telephone.

GSA is requesting a total of \$36,558 thousand in fiscal year 2009 for this account, an increase of \$19,230 thousand over the FY 2008 appropriated amount. The FY 2009 request includes an increase of **\$486 thousand** for the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and the cost increases for inflation.

The FY 2009 request also includes the transfer of **35 FTE and \$18,282 thousand** from GSA’s Operating Expenses appropriation to the FCS appropriation. This transfer would consolidate funding for GSA citizen-facing activities in a single funding source. OCS has provided centralized management to GSA’s citizen-serving programs since 2002, but the three organizations that comprise OCS have been funded from different appropriations. USA.gov Technologies, the office that provides infrastructure support for the USA.gov website, and Intergovernmental Solutions, the office which provides access to state, local and international government resources, have both been funded by GSA’s Operating Expenses appropriation. All other activities associated with USA.gov and GSA citizen-centric programs have been funded through annual appropriations to the Federal Citizen Information Center (FCIC) revolving fund.

The proposed consolidation of funding for all USA.gov activities will enable GSA to budget, control and report total program costs in a single account, and will allow support costs to be aligned with outcome-oriented performance measures associated with OCS program delivery. These improvements will increase managerial accountability for expenditure of Federal funds and will support budget and performance integration. This consolidation will better support the cost-effective delivery of services to citizens, businesses and Federal, state, territorial, local and Indian tribal government organizations.

Reimbursable Program: In FY 2009, the Office of Citizen Services anticipates providing reimbursable services to other Federal agencies and the private sector in the amount of \$10,450 thousand. These funds would reimburse OCS for the costs of printing and distributing information publications, and for providing citizen response services through the National Contact Center and the USAContact contract vehicle.

Obligations by Object Classification

(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Request
11.1 Full-time, permanent.....	\$3,567	\$4,515	\$8,714
11.3 Other than full-time permanent.....	56	71	74
11.5 Other personnel compensation.....	114	184	351
11.8 Special personnel services payments.....	0	0	0
12.1 Civilian personnel benefits.....	870	1,117	2,105
21.0 Travel and transportation of persons.....	79	88	109
22.0 Transportation of things.....	11	40	41
23.1 Rental payments to GSA.....	266	310	585
23.2 Rental payments to others.....	0	0	0
23.3 Communications and utilities.....	156	252	286
Subtotal, Rent, communications & utilities.....	\$422	\$562	\$871
24.0 Printing and reproduction.....	329	494	513
25.1 Advisory and assistance services.....	0	8,206	16,575
25.2 Other services.....	7,355	0	0
25.3 Goods & services from Gov't accounts.....	1,817	1,867	6,932
25.4 Operation and maintenance of facilities.....	0	0	0
25.7 Operation and maintenance of equipment.....	0	0	0
Subtotal, Contractual services.....	\$9,172	\$10,073	\$23,507
26.0 Supplies and materials.....	68	91	130
31.0 Equipment.....	101	93	143
99.0 Obligations, appropriated.....	\$14,789	\$17,328	\$36,558
Subtotal, PC&B.....	4,607	5,887	11,244
Subtotal, Non-labor.....	10,182	11,441	25,314
99.0 Obligations, reimbursable.....	13,890	10,167	10,450
99.9 Total obligations.....	\$28,679	\$27,495	\$47,008

Obligations by Program

(Dollars in Thousands)

	<u>FY 2007 Actual</u>		<u>FY 2008 Current</u>		<u>FY 2009 Request</u>	
	FTE	obligations	FTE	obligations	FTE	authority
Administrative Expenses:						
Salaries and Benefits.....	39.0	\$4,602	51.0	\$5,887	86.0	\$11,244
Travel.....		79		88		109
Catalog Printing/Transportation.....		368		500		512
CAH Production and Distribution ¹		739		965		988
Public Service Advertising.....		2,030		2,030		2,078
Administrative Support/Services.....		1,024		1,189		2,127
Rent Payments.....		266		310		585
Direct Marketing.....		270		280		440
Web Content Operations.....		1,236		1,823		1,867
National Contact Center.....		4,217		5,039		5,396
USA Services Program Office.....		0		550		563
USA.gov/Intergovt Solutions.....		0		0		11,700
All Other.....		887		354		616
Total, Administrative Expenses.....	39.0	\$15,718	51.0	\$19,015	86.0	\$38,225
Publication Distribution/NCC Svcs ²		12,961		8,480		8,783
Total Obligations.....	39.0	\$28,679	51.0	\$27,495	86.0	\$47,008

¹ Consumer Action Handbook

² National Contact Center

Program Description

The Office of Citizen Services (OCS) was established to provide a single source for citizens to obtain access to all of the information and services offered by the entire Federal Government. The Office of Citizen Services fulfills this purpose through three major lines of business: (1) the Federal Citizen Information Center, (2) USA.gov Technologies, and (3) Intergovernmental Solutions. The Federal Citizen Information Center (FCIC) is funded from the Federal Citizen Information Center Fund appropriation, and USA.gov Technologies and Intergovernmental Solutions are currently funded from the Operating Expenses appropriation.

In FY 2009, GSA requests that the funding for USA.gov Technologies and Intergovernmental Solutions be included in the same appropriation as the FCIC and that the FCIC appropriation and revolving fund be renamed "Federal Citizen Services Fund" (FCS). The requested consolidation of GSA's citizen-centric activities into a single appropriation will better position OCS to meet their primary goal of providing access points for citizens, businesses, other governments, and the media to easily obtain government information and services via the Web, e-mail, print, and over the telephone.

The Office of Citizen Services has the following three business lines:

The **Federal Citizen Information Center (FCIC)** has a 40-year history of providing U.S. Government information and services to citizens and currently operates a variety of information channels including web, telephone, print, and e-mail. In June 2002, FCIC assumed responsibility for the content management of USA.gov, the official web portal of the U.S. Government. In FY 2008, the FCIC Fund will assume responsibility for funding the USA Services Program Office and Web Manager University.

The Federal Citizen Information Center provides information to the public via:

- The Websites Program, which includes USA.gov and GobiernoUSA.gov (the official portal of the U.S. Government); pueblo.gsa.gov; consumeraction.gov and consumidor.gov; webcontent.gov; and kids.gov.
- The National Contact Center, which provides direct telephone (1-800 FED-INFO), e-mail and online assistance to citizens, as well as an array of contact center services to customer Federal agencies.
- Information and Education Program, which coordinates delivery of FCIC services to agency customers through the Government Printing Office's Public Documents Distribution Center in Pueblo, Colorado.
- The USA Services program, which provides agencies across the Federal government with simple and cost-effective access to contact center services through the USAContact contract. USA Services also provides training to web and contact center managers across the Government through Web Manager University, and provides for administrative support to various high-level interagency steering committees.

USA.gov Technologies implements innovative technologies that improve the delivery of Government information and services to citizens. USA.gov Technologies provides (1)

management of the USA.gov hosting infrastructure, and support for all USA.gov applications, including the technologies necessary to operate the USA.Gov (formerly FirstGov.Gov) portal in a safe, secure, scalable, and reliable manner; and (2) development or facilitation of services for USA.gov that enable other electronic government and other citizen-facing initiatives to acquire or otherwise enhance their delivery of citizen services.

Intergovernmental Solutions brings Federal, state, territorial, local and Indian tribal governments together to provide services to citizens through sharing of best practices, the creation of networks, and development of communication channels. In addition, Intergovernmental Solutions serves as a point of contact to other nations to facilitate the sharing of experiences and bring new solutions to the U.S. Government.

Program Financing

The Federal Citizen Services Fund is financed from annual appropriations to pay for the salaries and expenses of OCS staff. Reimbursements from Federal agencies pay for the direct costs of information services OCS provides on their behalf. This includes the cost of contact center services, as well as use of the toll-free publication ordering system and the cost of publications distributed through the Government Printing Office facility in Pueblo, CO.

The FCS Fund also receives funding from the following sources:

- User fees from the public for publications ordered through the **Consumer Information Catalog**. Fees are collected to offset administrative expenses.
- Other income incidental to OCS activities, primarily payments from private sector groups to cover the cost of distributing cooperative government-industry publications.
- Gifts to defray costs associated with the **Consumer Action Handbook** and other information and educational materials and related activities.

All income is available without regard to fiscal year limitations, but is subject to an annual aggregate expenditure limit as set forth in appropriation acts. In FY 2009, GSA is requesting an increase of \$8 million to the expenditure ceiling of the fund, to accommodate the requested transfer in of USA.gov Technologies and Intergovernmental Solutions.

FY 2009 Budget Request

The FY 2009 budget requests \$36,558 thousand for the Federal Citizen Services Fund (FCS); an increase of \$19,230 thousand over the FY 2008 appropriated level. This increase would fund the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and the cost increases for inflation. The request also includes the transfer of 35 FTE and \$18,282 thousand for USA.gov Technologies and Intergovernmental Solutions to FCS from GSA's Operating Expenses appropriation.

The funds requested will allow the Office of Citizen Services (OCS) to continue to fulfill its primary strategic objective of providing exemplary service to citizens and agencies by increasing the quality, quantity, and availability of Federal information and services.

In FY 2009, an expanded web presence, the full-service toll-free National Contact Center, and the Pueblo, CO, Public Documents Distribution Center will uniquely position OCS to provide a cost-efficient infrastructure for USA Services. USA Services leverages the existing infrastructure and resources of OCS to provide contact center solutions and other services to partner agencies in order to enhance and improve their customer service programs. Through USA Services, OCS continues to provide services directly to citizens and also assists agencies to improve their response to citizens. During FY 2007, the program delivered 222 million contacts with citizens.

Challenges confronting OCS include being able to meet increased citizen expectations for obtaining government information and services, and the need to keep pace with technology for providing enhanced services for citizens. OCS is also challenged to respond to increasing agency demand for contact center services within the \$150 million cap on spending through the current FirstContact contact center solutions vehicle. Finally, OCS is faced with the challenge that citizens may not be aware of our services and will therefore not utilize these services.

To meet these challenges, OCS will continue to operate and enhance information channels to the public to make them more comprehensive and easier to use, promote the availability of the services to the public through the television, radio, and print media, work closely with agencies to improve the content and usability of their web-based resources, work closely with agency publishers to produce useful printed materials for distribution to the public, and provide agencies with an enhanced contracting vehicle (USA Contact) to make it easier and less expensive for them to quickly obtain contact center services.

In FY 2009, OCS will continue to develop, manage, and implement activities in support of our direct services to citizens and of our government-wide leadership.

Direct Services:

- *Marketing* - Expand marketing to promote the availability of OCS information channels to the general public and to those with special needs, including the underserved, elderly, persons with disabilities, and citizens with limited English proficiency.
- *National Contact Center* – Re-bid the NCC contract to provide continuing, cost-effective information services to citizens. The new contract should include all of the existing services plus additional refinements to enable OCS to meet citizen's needs in the future.

- *Frequently Asked Questions* - Strengthen and expand the scope of the dynamic Frequently Asked Questions (FAQ) knowledgebase self-help system on USA.gov by sharing FAQ information across the government. Include FAQ services developed by agencies which address the needs of citizens with limited English proficiency and persons with disabilities.
- *Multi-Lingual Websites* - Continue to expand support mechanisms for multi-lingual website managers through the Federal Multi-lingual Website Committee's sub-committees on language use, website development and maintenance and marketing. Strengthen the Federal Multi-lingual section of Webcontent.gov to provide all resources available to manage multi-lingual websites.
- *USA.gov and GobiernoUSA.gov* - Continue to maintain and improve content in order to serve citizens in their top government needs. Enhance the portals to accommodate emerging multi-media technologies. Develop and integrate capability to provide localized and personalized web content, and to support audio-visual libraries and other new interactive features. Add more dynamic and interactive applications and features, in response to citizen needs and abilities of emerging technologies.
- *Expand GobiernoUSA.gov's outreach* - Form new partnerships with online, print, TV, and radio outlets and expand existing partnerships to include new features. Similarly, expand outreach efforts with non-governmental and community based organizations to promote the use of GobiernoUSA.gov as a means to teach Hispanic individuals about the U.S. Government.
- *Expand online marketing efforts* – Utilize search engine optimization, search engine marketing, blogging and bloggers, YouTube and other social media outlets, and other means.
- *Public Documents Distribution Center* - Continue to maintain and improve content and service delivery to citizens via OCS' consumer-oriented websites and through the Public Documents Distribution Center in Pueblo, Colorado.
- *USA.gov Technologies* – enhance the technology infrastructure to enable rapid development to stay current with citizen demands for collaboration and community, consistent with Web 2.0 principles.
- *USA Search* – enhance the functionality of the USA Search affiliate program through which other government entities (federal, state, local, tribal and territorial) will have access to the government's Internet search capability. This program will build a community of government affiliates through which valuable government information and services can be delivered via advanced electronic content aggregation and syndication techniques.

Government-wide Leadership:

- *USA Contact* - Utilize USA Contact to provide agency partners with a fast, efficient, and economical contract vehicle for multi-vendor contact center services. Enhance the contract as necessary to allow provision of services that address the special needs of citizens with limited English proficiency.

- *Collaboration* - Enhance collaborative communities for government web and contact center managers to work together to evaluate and share best practices and innovative approaches to increase efficiency; reduce duplication; and improve the quality and usefulness of the Federal government's customer service across all channels of communications with citizens, such as websites and contact centers.
- *Channel Integration* - Develop best practices and case studies to help agencies integrate their external websites with other customer channels, including intranets, telephone, email, and in-person or walk-in services.
- *Web Manager University* - Enhance training for government web managers by providing additional web-based training opportunities, including online tutorials, webinars, podcasts, and other training that can be easily accessed by a mobile work force. Identify core competencies for Government web and usability professionals and work with agencies and OPM to ensure those competencies are addressed in position descriptions, training, and performance plans. Provide best practices and research to help agencies identify the most important tasks they need to deliver to citizens via the web.
- *Customer Service Census* - Conduct a census of quantity and quality of customer service activities across the Federal Government for changes compared to the 2006 Government-wide Citizen Services assessment survey study. Study will include an assessment of how long it takes average citizens to complete the most critical government tasks, whether they try to complete their task by email, phone, web, or other communications channel.
- *Customer Service Research* - Continue to conduct research of citizens and government customers through studies, focus groups and polling to determine changes or new trends in the preferred methods of communication as well as expectations of service when contacting the Federal Government.
- *Citizen-Centric Practices* - Analyze the trends, practices and policies of best-of-breed government and private sector customer service through communities of interest like Citizen Service Level Interagency Committee (CSLIC) for possible adoption by Government agencies as benchmarks. With the help of CSLIC's Online Resources Group, create a web-based application that promotes citizen service best practices.
- *Evolving Citizen Expectations* - Update the government-wide citizen service level performance standards, guidelines, policies and best practices created in 2005 to incorporate the findings of the census, survey and benchmarking.
- *Emergency Planning* - Work with established interagency groups to help develop government-wide guidance, best practices, and contact directories for Government web managers and call center managers to respond to citizens in cases of emergency and natural disasters.

Program Performance Information

This section presents selected program performance information, including GPRA goals, objectives, measures and performance targets and results.

Long-Term Outcome Goal: Provide citizens with easy access to accurate, timely and consistent information about the government. Whether the citizen uses a channel offered directly by the Office of Citizen Services (OCS), or one offered by another government agency that provides excellent service because it adheres to USA Services standards of quality, the result is the same: An accurate and responsive answer to the citizen's question.

GSA and the Office of Management and Budget (OMB) have worked jointly to evaluate the USA Services program, using the Performance Assessment Rating Tool (PART) process. GSA and OMB reviewed the program in FY 2006 and it earned a rating of "Effective," the highest designation, which has been received by only 15% of programs in their first assessment. The following performance measures were established:

Performance Goal: Increase use of all OCS information channels by the public.

Performance Measure: *Citizen Touchpoints*

This measure provides an overview of citizen awareness and usage of all of OCS and USA Services information channels. It is measured by website visits, direct and assisted telephone contacts, e-mails processed, publications distributed, e-letter mailings, and telephone and e-mail activity conducted under FirstContact and USAContact Task Orders.

FY 2007 performance exceeds future-year targets due to increased call volumes on the Department of State's 1-800-PASSPORT line, which is provided by OCS. GSA will monitor performance and will adjust performance targets as necessary, if this level of citizen interaction is sustained in FY 2008.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
132,989,233	222,284,873	210,835,000	211,885,000
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
217,892,000	224,121,600	230,567,430	237,000,000

Performance Goal: Improve the quality of citizen web interactions across the government.

Performance Measure: *Governmentwide Website ACSI Satisfaction Benchmark*

This measure provides guidance and support to web managers regarding web best practices across all levels of government through organization and management of interagency steering committees and intergovernmental collaboration. Approximately 90 Federal websites use the American Customer Satisfaction Index to measure citizen reactions to their websites. A quarterly index is published which tracks the government's aggregate satisfaction score.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
73.7	73.6	74.5	75.0
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
75.5	76.0	76.5	77.0

Performance Goal: Increase use of OCS contracts to support citizen information needs by Federal agencies and e-Gov initiatives.

Performance Measure: *USAContact and Web Solutions Task Orders*

This measure shows the numbers of task orders issued under two contracting vehicles for use by agencies government-wide to obtain contact center solutions, in each year and cumulatively. This measure includes FirstContact, which was awarded in late July 2004, and the USA Contact contract, which was awarded in late 2007.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
8 new total 14	3 new, total 17	5 new, total 22	5 new, total 27
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
5 new, total 32	5 new, total 37	5 new, total 42	5 new, total 47

Performance Goal: Effective use of resources to successfully achieve the OCS mission at reduced unit costs

Performance Measure: *Cost per Touchpoint (in dollars)*

This measure matches effective use of resources to more successfully achieve the USA Services mission at reduced unit costs. It is calculated as the total budget for USA Services, divided by the number of citizen Touchpoints. The target is to reduce the cost per contact over time by increasing the volume of contacts faster than budgets.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
\$0.315	\$0.213	\$0.230	\$0.227
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
\$0.224	\$0.220	\$0.217	\$0.214

Program Outcome Measures

(Dollars in Thousands)

Long Term Outcome Goal

Provide citizens with easy access to accurate, timely and consistent information about the government. Whether the citizen uses a channel offered directly by OCS, or one offered by another government agency that provides excellent service because it adheres to USA Services standards of quality, the result is the same: a correct, timely answer to the citizen's question.

Performance Goal	Performance Measure
Public acceptance and increased usage of all public information channels	Citizen Touchpoints
Improvement in the quality of citizen web interactions across government	Government-wide Website ASCI Satisfaction benchmark
Federal agencies and e-Gov initiatives using USAS contact center services contract (USAContact) to meet citizen information needs	USAContact and Web Solutions Task Orders
Federal Citizen Services, appropriated.....	
Federal Citizen Services, reimbursable.....	
Subtotal, Federal Citizen Services.....	
Operating Expenses, appropriated.....	
Total.....	

Funding Source	FY 2007 Actual		FY 2008 Current		FY 2009 Request	
	Actual	Dollars	Target	Dollars	Target	Dollars
FCS Appropriated		\$13,179		\$15,225		\$34,261
FCS Reimbursable	222.3M	13,890	210.8M	10,167	211.9M	10,450
Operating Expenses		18,126		17,815		0
FCS Appropriated		0		501		599
FCS Reimbursable	73.6	0	74.0	0	74.3	0
Operating Expenses		485		0		0
FCS Appropriated		1,610		1,603		1,698
FCS Reimbursable	3 new, total 17	0	5 new, total 22	0	5 new, total 27	0
Operating Expenses		0		0		0
		\$14,789	\$17,328		\$36,558	
		<u>\$13,890</u>	<u>\$10,167</u>		<u>\$10,450</u>	
		\$28,679	\$27,495		\$47,008	
		<u>\$18,611</u>	<u>\$17,815</u>		<u>\$0</u>	
		\$47,290	\$45,310		\$47,008	

NOTE: USA Services is currently funded by: the Federal Citizen Information Center Fund (Appropriated and Reimbursable), and the Operating Expenses appropriation (USA.gov Technologies Division and Intergovernmental Solutions Division). The FY 2009 budget requests that all programs be consolidated into the Federal Citizen Services Fund.

THIS PAGE INTENTIONALLY LEFT BLANK

U.S. General Services Administration

ELECTRONIC GOVERNMENT FUND

Fiscal Year 2009 Budget Request

CONTENTS

Appropriations Language	2
Explanation of Changes	3
Summary of Request.....	4
Amounts Available for Obligation	5
Obligations by Object Classification	5

Appropriations Language

For necessary expenses in support of interagency projects that enable the Federal Government to expand its ability to conduct activities electronically, through the development and implementation of innovative uses of the Internet and other electronic methods, **\$5,000,000**, to remain available until expended: *Provided*, That these funds may be transferred to Federal agencies to carry out the purposes of the Fund: *Provided further*, That this transfer authority shall be in addition to any other transfer authority provided in this Act: *Provided further*, That such transfers may not be made until 10 days after a proposed spending plan and explanation for each project to be undertaken has been submitted to the Committees on Appropriations.

Explanation of Changes
(Dollars in Thousands)

	<u>FTE</u>	<u>Budget Authority</u>
2008.....	0.0	\$3,000
2009.....	<u>0.0</u>	<u>\$5,000</u>
Net Change.....	0.0	\$2,000

	<u>Budget Authority</u>
Program Increases:	
Support FFATA Reporting Requirements	\$2,000
Net change.....	<u>\$2,000</u>

Summary of Request

The Electronic Government appropriation provides support for interagency electronic government or "E-Gov" projects. GSA is requesting a total of \$5,000 thousand in fiscal year 2009 for this account, an increase of \$2,000 thousand over the FY 2008 appropriated level.

This appropriation provides funding for interagency projects and initiatives that use the Internet or other electronic methods to provide individuals, businesses, and other government agencies with simpler and timelier access to Federal information, benefits, services, and business opportunities. This appropriation also furthers the Administration's implementation of the Government Paperwork Elimination Act (GPEA) of 1998, which calls upon agencies to provide the public with optional use and acceptance of electronic information, services, and signatures, when practicable.

The May 10, 2007, expenditure plan for the Electronic Government Fund allocated all funds within this account to interagency projects and initiatives including:

- Refinement and support, including Independent Validation and Verification (IV&V), of E-Gov initiatives to expand utilization and maximize the benefits to citizens and the efficiencies for the Government.
- Further development of the Federal Enterprise Architecture (FEA) to include the Federal Transition Framework (FTF), Internet Protocol Version 6 (IPv6) and other government-wide standards and protocols.
- Development of a methodology to identify cost savings by the agencies involved in the E-Gov initiatives and monitoring of the initiatives to identify savings across the government.
- Improvement of processes for measuring and monitoring performance results, for consistent publicly available performance metrics for the E-Gov initiatives and Lines of Business (LoB) activities.
- Lines of Business (LoB) development activities; to organize specific functional areas and determine the potential areas for the greatest benefits and savings.

Program increases are needed to support the Federal Funding Accountability and Transparency Act of 2006 (PL 109-282), to increase transparency and accountability of Federal government expenditures by providing access to information on Federal funding awards through a single, searchable, publicly-available Web site. The Office of Management and Budget is required to ensure that the information is up-to-date, easily searchable and available to the public at no cost, so that information on Federal awards may be accessed by the public in a timely way. These funds will support the inter-agency task force developing the site, as well as providing the hardware, software, hosting, and maintenance of the site.

Amounts Available for Obligation

(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Request
Unobligated balance, start of year.....	\$4,114	\$5,976	\$0
New discretionary authority.....	\$2,970	\$3,000	\$5,000
Recovery of prior-year obligations.....	\$164	\$0	\$0
Unobligated balance, end of year.....	-\$5,976	\$0	\$0
Total, Obligations.....	\$1,272	\$8,976	\$5,000
<i>Outlays</i>	<i>\$847</i>	<i>\$6,402</i>	<i>\$6,767</i>

Obligations by Object Classification

(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Request
25.1 Advisory and assistance services.....	\$1,272	\$6,732	\$3,750
25.2 Other services.....	<u>0</u>	<u>2,244</u>	<u>1,250</u>
99.0 Total, Obligations.....	\$1,272	\$8,976	\$5,000

THIS PAGE INTENTIONALLY LEFT BLANK

U.S. General Services Administration
ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

Fiscal Year 2009 Budget Request

CONTENTS

Appropriations Language.....	2
Explanation of Changes.....	3
Summary of Request	4
Amounts Available for Obligation.....	5
Obligations by Object Classification.....	5
Obligations by President.....	6

Appropriations Language

For carrying out the provisions of the Act of August 25, 1958 (3 U.S.C. 102 note), and Public Law 95-138, **\$2,934,000**: Provided, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

*U.S. General Services Administration
Allowances and Office Staff for the Former Presidents*

Explanation of Changes

(Dollars in Thousands)

	<u>Budget Authority</u>
2008.....	\$2,478
2009.....	<u>\$2,934</u>
Net Change.....	\$456

	<u>Budget Authority</u>
Maintaining Current Levels:	
Increase for Benefits for Former Presidents	\$12
Increase for Cost of Goods & Services	\$29
Subtotal, Maintaining Current Levels.....	<u>\$41</u>
Program Decreases:	
Decrease in Goods & Services for Former President Carter	-\$4
Program Increase:	
Commencement of Benefits for President George W. Bush	\$366
Rent Increase for Former President Clinton	\$28
IT Consultants for Former President Bush	\$25
Subtotal, Program Increases.....	<u>\$419</u>
Net Change.....	\$456

Summary of Request

The appropriation for Allowances and Office Staff for Former Presidents provides for an annual pension and compensation of office staffs and other related operating expenses for each former President pursuant to P.L. 85-745, as amended. The costs of franking privileges for the widows of Former President Reagan and Former President Ford are also funded in this appropriation.

The FY 2009 budget requests an increase of **\$41 thousand** for pension costs and increased cost of goods and services. This amount allows GSA to carry out the provisions of the Former Presidents Act at a level commensurate with that of the previous fiscal year. An additional **\$366 thousand** is requested for the commencement of benefits for President Bush as a former President and an additional **\$53 thousand** is requested for rent increases and IT consultants offset by reduction of **\$4 thousand** for Former Presidents cost of goods and services.

Program Increase by Former President:

For President G.W. Bush, \$366 thousand: The FY 2009 request includes an increase for the commencement of benefits for President Bush beginning January 20, 2009, which is calculated based on the highest current Former President allowance. The allowance for President Bush is expected to increase in FY 2010 to reflect a full year of funding.

For former President Clinton, \$35 thousand: The FY 2009 request includes \$4 thousand for increased pension costs, \$28 thousand for increased rent, and \$18 thousand for increased cost of goods and services.

For former President H.W. Bush, \$40 thousand: The FY 2009 request includes increases of \$4 thousand for increased pension costs, \$25 thousand for an IT Consultant, and \$11 thousand for increased costs of goods and services.

For former President Carter, no increase: The FY 2009 request includes \$4 thousand for increased pension which is completely offset by a \$4 thousand decrease in goods and services.

U.S. General Services Administration
Allowances and Office Staff for the Former Presidents

Amounts Available for Obligation

(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Request
Discretionary authority:			
Annual appropriation.....	\$2,922	\$2,478	\$2,934
Unobligated balance, end of year.....	-\$496	\$0	\$0
Total obligations.....	\$2,426	\$2,478	\$2,934
<i>Net Outlays</i>	<i>\$1,919</i>	<i>\$2,465</i>	<i>\$2,904</i>

Obligations by Object Classification

(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Request
11.8 Special personnel services payments.....	347	288	318
12.1 Civilian personnel benefits.....	133	131	151
13.0 Benefits for former benefits.....	625	583	738
21.0 Travel and transportation of persons.....	45	108	119
23.1 Rental payments to GSA.....	875	793	916
23.3 Communications and utilities.....	113	161	181
Subtotal, Rent, comm. & utilities.....	\$988	\$954	\$1,097
24.0 Printing and reproduction.....	44	33	36
25.2 Other services.....	158	224	300
26.0 Supplies and materials.....	35	46	51
31.0 Equipment.....	52	111	124
99.0 Total Obligations.....	\$2,427	\$2,478	\$2,934
Subtotal, PC&B.....	1,105	1,002	1,207
Subtotal, Non-labor.....	1,322	1,476	1,727

U.S. General Services Administration
Allowances and Office Staff for Former Presidents

Obligations by President

(Dollars in Thousands)

	CARTER	GH BUSH	CLINTON	GW BUSH	WIDOWS	TOTAL
Personnel Compensation	\$96	\$96	\$96	\$30	\$0	\$318
Personal Benefits	2	64	65	20	0	151
Benefits for Former Presidents	194	194	204	146	0	738
Travel	2	56	50	11	0	119
Rental Payments to GSA	102	175	544	95	0	916
Communications, Utilities and Miscellaneous charges						
Telephone	10	17	79	15	0	121
Postage	15	13	15	3	14	60
Printing	5	14	14	3	0	36
Other Services	80	111	84	25	0	300
Supplies & Materials	5	15	26	5	0	51
Equipment	7	69	35	13	0	124
Total Obligations	\$518	\$824	\$1,212	\$366	\$14	\$2,934

In compliance with recommendations of the Senate Appropriations Committee, in Senate Report 110-129, the FY 2009 budget submission of the General Services Administration Office of the Inspector General (OIG) is transmitted without any alteration by GSA. Previous submissions to OMB were likewise transmitted without alteration, and all comments and Passbacks from OMB on such submissions were conveyed accurately to OIG.

Fiscal Year 2009 Budget Request

Table of Contents

Summary of Request.....	1
Appropriations Language and 5-Year History Table	4
Amounts Available for Obligation	5
Explanation of Budget Authority Changes	6
Budget Authority by Business Component	7
Obligations by Object Classification	8
Business Component Justification	
Office of Audits	9
Office of Investigations	12
Executive Direction and Business Support Offices.....	13
The FY 2009 Strategic Plan	15

Summary of Request

The Office of Inspector General (OIG) was established by the Inspector General Act of 1978 as an independent unit responsible for promoting economy, efficiency, and effectiveness and detecting and preventing fraud, waste, and mismanagement in the U.S. General Services Administration's (GSA) programs and operations. The OIG mission is to help the GSA effectively carry out its responsibilities and to protect the public interest by bringing about positive change in the performance, accountability, and integrity of GSA programs and operations. This is accomplished primarily by performing: independent financial, program, information technology, contract and compliance audits; criminal and civil investigations; reviews of proposed legislation and regulations; and by providing other services to senior GSA, Congressional, and law enforcement officials.

The OIG is comprised of two primary business components—the Office of Audits and the Office of Investigations. The Office of Audits includes a multidisciplinary staff of analysts and financial, information systems, and performance auditors. The Office of Investigations is an investigative unit that provides nationwide investigative services and conducts criminal and other investigations into allegations of fraud, waste, or abuse to prevent and detect illegal and improper activities involving GSA programs, operations, and personnel. These business components receive leadership, direction, policy guidance, and support services from the Executive Office of the IG, the Office of Internal Evaluation and Analysis, the Office of Counsel, and the Office of Administration.

The OIG continues to direct its auditing and investigative resources toward what we have identified as the major management challenges facing GSA. We conduct audits, reviews, and investigations to ensure the integrity of the Agency's financial statements, programs, and operations, and that the taxpayers' interests are protected. The OIG also continues to initiate actions to prevent fraud, waste, and abuse, and to promote economy and efficiency throughout GSA. Specifically, the OIG's resources have been directed toward conducting preaward procurement and contract reviews; financial and programmatic audits; management control assessments; information technology audits; investigations on a myriad of fraud and abuse, and related actions by GSA employees and government contractors; and litigation support in civil fraud and enforcement actions, criminal prosecutions, contract claims, and administrative actions all in an effort to maintain the integrity of GSA programs and management.

The OIG is a results driven organization that consistently demonstrates its commitment to ensuring that our performance results in tremendous net returns for the American taxpayer. Audits and investigations have saved the taxpayers billions of dollars. During Fiscal Year (FY) 2007, the OIG issued 137 audit reports with over \$901.1 million in questioned costs and in recommendations that funds be put to better use. OIG activities resulted in nearly \$604.8 million in management decisions agreeing with audit recommendations and \$114 million in criminal, civil, and administrative recoveries. We made 685 referrals for criminal prosecution, civil litigation, and administrative action of which 102 case referrals were accepted by the Department of Justice for criminal prosecution or civil litigation. The OIG also reviewed 410 legislative and regulatory actions and received 2,642 Hotline complaints. In conjunction with the Department of Justice, the OIG achieved the largest recovery in a civil settlement under the False Claims Act in the history of GSA's Multiple Award Schedules (MAS) program—a \$98 million dollar recovery from the Oracle Corporation for PeopleSoft's defective pricing for GSA procurements. The OIG's experienced auditors, counsel, and investigators contributed to this recovery. Currently, the OIG has over 390 active fraud investigations which affect almost

U.S. General Services Administration
Office of Inspector General

every GSA program. The OIG has increased coordination and strengthened partnerships among other Inspectors General, law enforcement, and the Department of Justice to more effectively fight procurement fraud through the creation of the National Procurement Fraud Task Force.

Overview of FY 2009 Budget Request

In FY 2009, the OIG will continue to provide audit and investigative services across the broad spectrum of GSA's activities. We will continue to commit audit resources to promoting the economy, efficiency, and effectiveness of GSA's major programs, information technology and related security systems, procurements, and financial and accountability processes. The OIG FY 2009 appropriation request is \$54,000 thousand to support 300 full-time equivalents (FTE). Although this request is a net increase of \$5,618 thousand and 12 FTE over the FY 2008 OIG Appropriation level, it only represents an increase of \$1,118 thousand over the OIG's operating program level for FY 2008, which also included \$4,500 thousand in unobligated balances available from the previous year. The net change over the FY 2008 Appropriation level consists of changes related to maintaining current service levels: (1) \$3,148 thousand in base resources to fund pay raises for existing staff, make minor adjustments for one time cost decreases and fully fund FTE hired under authority granted in two FY 2007 Appropriations bills, the Continuing Appropriations Resolutions, 2007 (P.L. 110-5) and the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (P.L. 110-28), and (2) \$2,200 thousand and 12 FTE to fund a portion of the Federal Acquisition Services (FAS) Preaward Audit Program through direct appropriations instead of funding the entire activity through a reimbursable agreement. Also included in the request is a programmatic increase of \$270 thousand to continue activities designed to provide additional security for the OIG email system. (See additional discussion beginning on IG-14 in the Business Component Justification.)

Reimbursable Programs

The FY 2009 OIG budget request includes a proposal to realign funds into the direct OIG appropriation for activities that the OIG has performed under a reimbursable agreement with the FAS in previous years. The FY 2009 OIG reimbursable request includes \$3,250 thousand and 16 FTE for the following reimbursable work: (1) \$2,800 thousand for the FAS Preaward Audit Program; (2) \$350 thousand for the Fleet Card Program; and (3) \$100 thousand for on-going reimbursable work with other agencies and independent commissions.

Overview of Strategic Assessment

The OIG's mission provides a unique ability to independently evaluate GSA's operations and identify opportunities for cost savings and program improvements, as well as review/investigate improper activities. We will focus our efforts on helping GSA meet its charter as the premier provider of acquisition and real property services in the Federal Government. We will assist GSA in adopting business-like practices, streamlining its organizations, cutting overhead and reducing costs, and modernizing its work processes to deliver quality goods and services to its customers. The OIG will also assist GSA by identifying and mitigating vulnerabilities, particularly those resulting from changes in its methods of doing business and from changing legal and administrative requirements, in an effort to maximize support provided to GSA as it continues to transform. Our strategic performance goals are to: (1) enhance the performance

*U.S. General Services Administration
Office of Inspector General*

of GSA and ensure optimum value for the taxpayer; (2) protect the integrity of GSA programs and operations; (3) implement an efficient and effective human capital strategy, and (4) enhance our organizational performance.

The OIG will accomplish these goals by:

- Conducting independent reviews of GSA's programs, systems, and internal operations to identify opportunities for improvement;
- Conducting independent reviews of GSA's contractors to ensure GSA and Federal customers are getting the best value for the taxpayers' dollars;
- Providing research and benchmarking surveys that identify best practices to help GSA improve its operations;
- Conducting investigations of GSA's programs and operations when circumstances indicate potential fraud, criminal activity, or mismanagement;
- Working with Congress, the Office of Management and Budget (OMB), and GSA management to identify and implement program improvements by leveraging our knowledge and expertise to evaluate and refine GSA-related legislative, regulatory, and other policy initiatives;
- Working with GSA management and employees to ensure that appropriate internal controls and performance measures are in place thus helping to optimize the fulfillment of GSA's mission; and
- Working with GSA managers and employees to increase their knowledge and awareness of fraud in order to help reduce and prevent its occurrence in GSA's programs and operations.

Appropriations Language

For necessary expenses of the Office of Inspector General and service authorized by 5 U.S.C. 3109, \$54,000,000: *Provided*, that not to exceed \$15,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further*, that not to exceed \$2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

5-Year Appropriations History Table

Fiscal Year	Budget Estimate to Congress	Appropriation
FY 2005	\$42,351,000	\$42,351,000
FY 2006 <i>1% rescission</i>	43,410,000	43,410,000 <i>(434,100)</i>
FY 2007	44,312,000	48,121,000 4,500,000 ¹ 52,621,000
FY 2007/2008 FY 2008 Subtotal	47,382,000	4,500,000 48,382,000 \$52,882,000
FY 2009 <i>request</i>	\$54,000,000 ²	

¹ The initial FY 2007 Appropriation level provided to the OIG in Continuing Appropriations Resolution, 2007 (P.L. 110-5) was \$52,621,000. Enactment of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (P.L. 110-28) rescinded \$4.5 million of the OIG funds included in P.L. 110-5 and reappropriated the same amount available through the end of FY 2008. These funds were carried forward as unobligated balances into FY 2008.

² The FY 2009 request level includes \$2.2 million in realigned reimbursable funds.

U.S. General Services Administration
Office of Inspector General

Amounts Available for Obligation
(Dollars in Thousands)

	2007 Actual ³	2008 Current	2009 Request
<i>Discretionary authority:</i>			
Unobligated balance, start of year.....	\$0	\$4,500	\$0
Annual appropriation.....	52,621	48,382	54,000
<i>Reimbursable authority:</i>			
Offsetting collections.....	5,435	5,450	3,250
Subtotal amount available for obligation	\$58,056	\$58,332	\$57,250
<i>Discretionary authority:</i>			
Unobligated balance, expiring.....	-\$457	\$0	\$0
Unobligated balance, end of year.....	-\$4,500	\$0	\$0
<i>Reimbursable authority:</i>			
Unobligated balance, expiring.....	-\$85	\$0	\$0
Total obligations	\$53,014	\$58,332	\$57,250
Obligations, appropriated (annual).....	47,664	52,882	54,000
Obligations, reimbursable.....	5,350	5,450	3,250

³ Includes total appropriated budget authority and FY 2008 year end obligation totals.

Explanation of Budget Authority Changes
(Dollars in Thousands)

	FTE	Budget Authority (\$\$\$)
FY 2008 Appropriation Level	288⁴	\$48,382
FY 2007/08 unobligated balance carried forward⁵		4,500
Total FY 2008 OIG Program level available for obligation		52,882
Maintaining Current Service Levels		
Annualization of FY 2008 pay raise (3.5%), effective January 2008		250
FY 2009 pay raise (3.0%), effective January 2009		750
Adjustment for one less day of pay during FY 2009		-127
One time decrease to non-pay costs		-295
Funds to fully support FTE hired under authority granted in P.L. 110-5 and P.L. 110-28		2,570
Realignment of FAS reimbursable funds into OIG direct appropriation	12	2,200
Subtotal Net Built-in Changes		+5,348
Program Changes		
Email system upgrades and modifications		+270
Elimination of carry-forward of 2-year unobligated balances		-4,500
Subtotal Net Program Changes		-\$4,230
FY 2009 Budget Request	300	\$54,000

⁴ The initial FY 2008 President's Budget request included a base of 281 FTE for the OIG (exclusive of reimbursable FTE). The 288 FTE level included above reflects the addition of 7 FTE to the OIG base which was approved by OMB during FY 2007.

⁵ In addition to funds included in the FY 2007 Appropriation, the OIG has \$4.5 million in spending authority available through the end of FY 2008 as authorized in the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (P.L. 110-28).

Budget Authority by Business Component

(Dollars in Thousands)

	FY 2007 Actual Obligations	FY 2008⁶ Current	FY 2009 Request	FY 2008 – FY 2009 Change
Appropriated Program:				
Audit Programs	\$20,629	\$23,849	\$26,088	\$2,238
Investigative Programs	\$13,600	\$15,615	\$15,965	\$350
Executive Direction & Business Support Programs ⁷	\$12,633	\$13,418	\$11,947	-\$1,471
Total Appropriated Program	\$47,664	\$52,882	\$54,000	\$1,118
Reimbursable Program:				
FAS Program	\$4,985	\$5,000	\$2,800	-\$2,200
Fleet Card Program	\$348	\$350	\$350	\$0
Other Agency Reimbursable	\$27	\$100	\$100	\$0
Total Reimbursable Program	\$5,350	\$5,450	\$3,250	-\$2,200
Net Outlays	\$44,475	\$48,366	\$53,933	\$5,567
Employment (FTE)				
Appropriated	269	288	300	+12
Reimbursable	28	28	16	-12

⁶ The FY 2008 column includes estimated budget authority available to the OIG during FY 2008. This level includes funds as proposed in the FY 2008 President's budget for the OIG and funds available to the OIG through P.L. 110-28.

⁷ During FY 2007, many projects that benefited the entire organization such as data encryption, Email system enhancement, security background checks, etc. are included within the Executive Direction funding line even though they serve to benefit all business components.

U.S. General Services Administration
Office of Inspector General

Obligations by Object Classification
(Dollars in Thousands)

	Personnel Compensation:	FY 2007 Actual	FY 2008 Current	FY 2009 Target
11.1	Full-time permanent	23,152	25,334	27,580
11.3	Other than full-time permanent	0	0	0
11.5	Other personnel compensation	2,084	2,307	2,520
11.8	Special personal services payments	140	204	0
11.9	Total personnel compensation	25,376	27,845	30,100
12.1	Civilian personnel benefits	6,725	7,525	7,860
21.0	Travel and transportation of persons	1,593	1,881	2,121
21.0	Motor pool	0	0	0
22.0	Transportation of things	111	116	116
23.1	Rental payments to GSA	2,754	3,064	3,138
23.2	Rental payments to others	0	0	0
23.3	Communications, utilities and miscellaneous charges	318	386	450
24.0	Printing and reproduction	47	59	65
25.1	Advisory and assistance services	891	1,401	975
25.2	Other services	2	0	0
25.3	Purchases of goods and services from government accounts	4,965	6,719	6,700
25.7	Operation and maintenance of equipment	375	672	672
26.0	Supplies and materials	312	500	500
31.0	Equipment	4,195	2,714	1,303
42.0	Insurance claims and indemnities	0	0	0
99.0	Total	47,664	52,882	54,000
99.0	Reimbursable obligations	5,350	5,450	3,250
99.9	Total Appropriated & Reimbursable	53,014	58,332	57,250

Business Component Justification

Office of Audits

PROGRAM DESCRIPTION

The Office of Audits (Audits) is subject to mandated performance requirements and reporting responsibilities as prescribed in the Inspector General Act. Our goal is to ensure program integrity and promote economy and efficiency in GSA. We intend to accomplish our goal by continuing to identify and address the challenges facing GSA management. Our strategy relies on an open flow of communication with all our stakeholders. Audits reports the results of our reviews to GSA officials through audit reports and to Congress in the Semiannual Report to the Congress.

Audits conducts national reviews of GSA programs, tests operations and security information systems, supervises financial statements audits, assesses management controls, performs reviews of contract proposals and contract performance, and completes other reviews as required by law, executive order, or regulation. In addition, we offer a variety of other services that are intended to further assist GSA management in improving operations. These services include benchmarking, and best practices reviews; ex-officio membership on Agency task forces; commenting on proposed or pending regulatory and legislative issues; participating in governmentwide workgroups; and assessing system development and other information technology (IT) efforts. Attestation review services are also performed to help GSA contracting officials carry out their procurement responsibilities and obtain best value for Federal customers and the American taxpayer.

We are organized into centers of expertise for each of the core functions critical to GSA's success. This structure allows us to develop technical or specialized expertise in key areas of GSA, so we can better identify and address significant issues and vulnerabilities facing the Agency. By developing our own expertise in GSA's business lines and complementing that with our audit and evaluation skills, we are better able to understand the complex issues and challenges faced by program officials, design evaluations in the context of specific programs, and facilitate resolution of audit recommendations.

Audits assists GSA in identifying opportunities for improvement through key programmatic reviews and works with GSA management to improve program data integrity. Our application of team concepts, streamlined operating methods, and our use of advanced technology allows us to expedite the transmission of important information to managers for decision making. These efforts complement our traditional responsibilities of safeguarding the integrity and ensuring accountability of Agency operations.

Audits fosters clear lines of communication with all of our stakeholders, including Congressional oversight committees and OMB, and works closely with GSA's managers to continually exchange information to enhance our understanding of GSA's programs and initiatives. To improve our annual planning process, we maintain contact with GSA officials in each of the major Services and Staff Offices. In addition to our traditional services in the areas of management and systems control reviews and selected reviews of GSA's multi-billion dollar

*U.S. General Services Administration
Office of Inspector General*

contract programs, we continue to focus our resources on large-scale, comprehensive program reviews, information technology and systems reviews, and financial and regulatory reviews.

Comprehensive Program Reviews. These reviews produce formal audit reports that provide GSA management with independent assessments of how well programs are meeting their nationwide missions and identify specific areas where program outcomes can be improved. Program reviews have been a staple of our organization for the past decade, and we constantly refine and improve our approaches. We focus on program goals and results and how the program officials measure their successes. We also provide managers input on potential solutions to issues when appropriate.

Information Technology and Systems Reviews. Information technology in GSA is expanding exponentially and influences all aspects of its business operations. GSA relies on its automated information systems to perform its mission and manage its operations. Many of these systems store sensitive information such as personal employee data and contractors' proprietary information. We have dedicated 16 FTE to the Information Technology Audit Office. Its mission is to identify the IT risks and vulnerabilities in GSA, develop the technical expertise to perform these complex reviews, and perform IT and telecommunications systems review work. Audits must continue to expand its capabilities in the IT arena. GSA has an extensive IT universe with about 100 major automated information systems, many smaller systems, and numerous local area networks. GSA's IT universe also dictates that we must apply more audit resources to security issues associated with operating GSA systems and networks. In addition, the Federal Information Security Management Act of 2002 requires Inspectors General to conduct independent annual evaluations of their agencies' information security programs.

Financial and Regulatory Requirements. The passage of the Chief Financial Officers Act in 1990 has had a significant impact on our operations. Even before passage of this Act, the OIG and GSA arranged for the audit of GSA's financial statements by an independent public accounting firm. However, the time, effort, and expertise required to administer the audit of the financial statements has grown substantially. New legislation and complex accounting and auditing policies must be analyzed; efforts to assist GSA management in working through associated issues have grown; and time needed to address audit issues related to the audit of the governmentwide consolidated financial statements has increased. Moreover, we see a need for the OIG to evaluate the more detailed workings of GSA's financial activities and perform analyses of its major accounts. While we are pleased that GSA's financial statements have consistently achieved clean opinions, there are opportunities to enhance the efficiencies of operations and accountability of assets. We want to increase the number of evaluations of GSA major individual financial accounts and major financial subsystems. In addition, there are new and increasing requirements imposed on our office due to the Government Performance and Results Act (GPRA) and related legislation. These issues require that we have sufficient staff with the financial background and expertise to perform the necessary reviews. We intend to dedicate more resources to our financial audit group over the next several years to keep up with the increasing workload demands. As in the IT area, this is a specialized discipline and we must expand our financial and technical systems, training, and staffing to accomplish our goals.

The Office of Audits will continue to offer our traditional audit services in the following areas:

Management Control Reviews. Audits will continue to test management controls built into programs and systems to ensure they function as intended and provide reasonable safeguards

*U.S. General Services Administration
Office of Inspector General*

over assets. We believe control systems are becoming more important in an evolving work environment which calls for fewer supervisors, more decentralization of authority, and more individual empowerment. We work closely with management to share our expertise in management controls throughout GSA.

Contract Reviews. As the premier acquisition service provider within the Federal Government, GSA's annual contracts for goods and services exceed \$35 billion. The Office of Audits continues to maintain a contract review program to review selected vendors' records and develop financial information needed by GSA's contracting officers to negotiate favorable pricing arrangements on contract awards and to administer existing contracts. Over the past 2 years, our audits have evaluated over \$16 billion in proposed costs, and have resulted in over \$1.6 billion in potential cost avoidances.

FY 2009 BUDGET REQUEST

The FY 2009 Budget Request for Audits includes current service levels and an additional \$2.2 million in direct funds for staff and associated support to conduct FAS preaward audits. Prior to FY 2009, the OIG received \$5 million annually for preaward audits as part of a reimbursable agreement with FAS. This proposal would shift \$2.2 million (of the original \$5 million) to direct authority within the OIG appropriation in order to provide a more stable funding stream for these important audits. The OIG will retain \$2.8 million in reimbursable authority for FAS preaward activities during FY 2009. The OIG anticipates conducting roughly the same number of preaward audits in FYs 2008 and 2009 because the funding level dedicated to these activities is constant between the 2 years.

Office of Investigations

PROGRAM DESCRIPTION

The Office of Investigations (Investigations) is responsible for conducting criminal, civil, and administrative investigations nationwide. Investigations is the OIG's fully accredited Federal law enforcement component and provides expert investigative services to GSA, the Department of Justice, United States Attorney's offices throughout the country, and other Federal and state agencies. Investigations is committed to identifying and preventing fraud, waste, and abuse in GSA programs and operations and promoting economy and efficiency within GSA. Our investigative action plan contains the following elements:

- Investigations of alleged criminal violations by contractors, employees, and others relating to GSA acquisition programs;
- Criminal investigations relating to the integrity of GSA programs, operations, and personnel;
- The development and implementation of proactive investigations which address systemic investigative issues that cross GSA regional boundaries;
- Investigative support to our Office of Audits and Office of Counsel as well as to GSA officials; and
- Investigations of allegations into serious misconduct by high-ranking GSA officials.

The major component of the Investigations' operations plan during the coming fiscal year is the detection and investigation of major criminal violations associated with GSA acquisition programs. We anticipate devoting significant investigative resources to criminal fraud violations associated with substandard products or material; false claims; criminal false statements; and schemes seeking unfair advantage in GSA's procurement, supply, property acquisition and disposal, and construction programs. Investigations will ensure the integrity of GSA programs and operations by thoroughly investigating allegations of criminal activity by GSA employees and officials. Bribery, extortion, acceptance of gratuities, conflict of interest, and procurement integrity violations will be emphasized and remain investigative priorities. Another major investigative emphasis in this area is associated with ensuring the integrity of GSA's procurement programs by conducting investigations and making recommendations for suspension and debarment of corporations that appear to/or lack corporate integrity. We need to partner with GSA leaders and assist them in seeking ways to improve Agency programs and operations and prevent fraud from occurring. When appropriate, Investigations will continue to present fraud integrity awareness briefings to Agency employees and develop effective proactive initiatives that will identify problems relating to fraud, waste, or abuse in GSA operations. Effective proactive cases have proven to be excellent techniques to prevent and deter program deficiencies from becoming major operational problems.

FY 2009 BUDGET REQUEST

The FY 2009 Budget Request for Investigations continues current service levels.

Executive Direction and Business Support Offices

PROGRAM DESCRIPTION

These executive direction and business support offices offer an array of services to ensure that the mission of the OIG is fully realized. These four offices provide the support necessary to ensure that the OIG can efficiently and effectively carry out its full cadre of responsibilities; ultimately resulting in positive change in the performance, accountability, and integrity of GSA programs. The four component offices are as follows:

Executive Office of the Inspector General: The Inspector General and the Executive Office of the IG supervise, coordinate, and provide policy direction for all activities within the OIG including audit and investigation activities. The IG recommends policies for and coordinates activities to promote economy and efficiency in the administration of, and the prevention and detection of fraud and abuse in, the programs and operations of GSA. The IG also conducts and coordinates activities between GSA and other Federal agencies, state and local government agencies, and non-governmental entities with respect to audit and investigative matters. The IG serves as the Vice-Chair for the newly established National Procurement Fraud Task Force (NPFTF), which was created to increase coordination and strengthen partnerships among Inspectors General, law enforcement, and the Department of Justice to more effectively fight procurement fraud throughout the government. The goal of the NPFTF is to protect the taxpayer by deterring procurement fraud and increasing the effectiveness of sanctions imposed on those prosecuted for and found guilty of procurement fraud.

Office of Internal Evaluation and Analysis: This office is an in-house assessment program responsible for internal affairs reviews and investigations of OIG operations. At the direction of the IG, this office plans, directs, and coordinates the OIG internal evaluation and analysis program, which provides quality assurance for the organization. As part of the program, Internal Evaluation and Analysis conducts reviews of OIG's central office functions and OIG's audits and investigative field offices to impartially assess: (1) administrative, managerial, and organizational culture in support of the OIG mission; (2) compliance with quality standards adopted by the Federal IGs, as well as OIG policies and procedures; and (3) efficiency and effectiveness in meeting mission responsibilities. Internal Evaluation and Analysis reports its findings to the IG. At the direction of the IG, Internal Evaluation and Analysis conducts investigations of allegations of wrongdoing in OIG operations and by OIG personnel, and reports any findings to the IG. The office also has an analytical component that conducts statistical analyses and other research to assist the IG in evaluating value received for the effort expended by the OIG to eliminate waste, fraud, and abuse in GSA programs.

Office of Counsel: The Office of Counsel: (1) provides legal advice and assistance to all OIG components; (2) represents the OIG in connection with audits and investigations and in litigation arising out of or affecting OIG operations; and (3) advises on statutes and regulations, and assists with legislative concerns. The Office of Counsel provides legal services to the nationwide operations of the OIG and performs the OIG's statutory function of reviewing legislation and proposed regulations, as well as representing the OIG in personnel matters and providing support to U.S. Attorneys Offices and the Department of Justice in False Claims Act litigation. The Office of Counsel is responsible for the OIG's Standards of Conduct and ethics program and works closely with management to ensure that OIG employees comply with the

*U.S. General Services Administration
Office of Inspector General*

highest standards of ethical behavior. The Office also manages the OIG's disclosure obligations under the [Freedom of Information Act \(F.O.I.A.\)](#) and [Privacy Act](#), and discovery requirements in judicial and administrative litigation.

Office of Administration: This office consists of a multidisciplinary staff that provides budgetary, human resources, IT, facilities, space and other administrative support and services to all OIG offices. The Office of Administration is responsible for providing the technical, financial, and administrative infrastructure to the OIG.

FY 2009 BUDGET REQUEST

In addition to current service levels, the Business Support Offices request \$270 thousand for enhanced capabilities in providing secure email system options for the OIG.

During FY 2007, the OIG experienced a security violation associated with the use of GSA's current email system. This breach in confidentiality of electronic communications spurred the OIG to undertake extensive research to determine how to prevent this problem in the future. Additionally, in the Fiscal Year 2008 Senate appropriations report (S.R. 110-129) the Committee included language reinforcing the independence of the OIG and mentioned that "neither GSA personnel nor associated contractors, subcontractors, or private attorneys will search, read, or copy the content of emails." The OIG currently utilizes an email system that is maintained and operated solely by GSA. This means that the OIG has no operational, administrative, or security control over OIG email communications, but is dependent on the services and security provided by GSA. This current email configuration compromises the confidentiality and integrity of all electronic mail communications of the OIG.

During FYs 2007 and 2008 the OIG began working with the GSA CIO to remedy the situation by modifying the existing system to increase security over GSA OIG emails. This redesign will utilize a System Development Life Cycle (SDLC) process to mitigate identified risks and protect against future unauthorized intrusion. The OIG allocated FY 2007 and 2008 funds to begin the first phase of this project and also hired a qualified project manager whose duties, among others, will be to ensure the successful completion of the project and compliance with OMB project management guidance. The initial investment includes the first phases of the SDLC including: concept, planning, requirements analysis, and design; as well as physical infrastructure and network infrastructure modifications.

The OIG requests \$270 thousand in FY 2009 to fund the operating and contract support expenses necessary for the proper operation of the system, such as software licenses, archiving and backup costs, and ongoing security and document retention requirements.

THE FY 2009 STRATEGIC PLAN

The OIG will increasingly focus its efforts in areas intended to enhance the management and overall performance of GSA and will increasingly align its activities so that they more directly support the strategic goals and business objectives of GSA. We will allocate approximately 70 percent of our audit and investigation resources to address agency management challenges and vulnerabilities. We are currently developing a new strategic plan to address new challenges. The performance measures in this document reflect those in place as of FY 2007.

Strategic Goal No. 1

Enhance the performance of GSA and ensure optimum value for the taxpayer.

Discussion

GSA is a 12,000 person agency that oversees Federal buildings, major supply and procurement programs, a fleet of 190,000 vehicles worldwide, telecommunications systems, and child-care facilities. It also provides policy leadership in areas such as acquisition, travel, real property, and other administrative services for the entire Federal sector.

GSA realizes that changes in today's environment require it to be flexible in its business approaches and innovative in developing integrated solutions to longstanding and new challenges. Current Agency goals and initiatives, continuing government reform, high-risk areas defined by GAO, and management challenges identified by our office remain areas that must be addressed.

The OIG's audits and investigations assist GSA in its dual roles of policy leadership and provider of space, products, and services to the Federal workforce. At the same time, we intend to support GSA's commitment to effective and efficient operations. In this capacity, we will continue to evaluate and bring to GSA's attention serious vulnerabilities and management challenges. Further, we will make constructive recommendations as to how these concerns can be alleviated. We will devote our resources to areas where focused management attention can bring about greater efficiencies for both GSA and the taxpayers. Through our audits, investigations, advice on legislation, and other services, we will raise to the policy-making level issues that affect the Agency's programs. Lastly, we will work with GSA leadership on key initiatives to promote more effective government operations.

Anticipated Results

We will perform annual risk assessments of GSA operations to identify the most significant management challenges, high-risk areas, and major opportunities for improvement in programs, operations, and related activities. We will target the most significant issues facing GSA by planning and conducting audits and investigations in those areas. We will continue to work with GSA management on key initiatives. Finally, we will leverage our expertise by providing comments on legislative and policy initiatives before they become program requirements. In this capacity, we will also work with the Office of Governmentwide Policy by sharing our knowledge, expertise, and experience in assisting GSA to meet its central management policy responsibilities.

*U.S. General Services Administration
Office of Inspector General*

OIG Strategic Goal #1 Enhance the performance of GSA and ensure optimum value for the taxpayer.

Performance Goal: This measure reflects OIG management’s decision to allocate greater audit resources to major programmatic, control, systems, and other efforts which are aimed at helping GSA management achieve more positive outcomes in their operations. While some of these types of reviews require significantly more resources, and their immediate impact is not always quantifiable, their long-term benefits offer the potential for significant improvements in GSA performance and benefits to customers and taxpayers. Results from these audit efforts are based on actual reports issued and the resulting recommended avoidances, recoveries, and resolved management decisions.

GSA-wide Goal: This OIG goal is linked to the following GSA strategic goals:

- Develop and deliver effective acquisition services and business solutions;
- Lead agencies on economical and efficient stewardship of Federal assets;
- Deliver and maintain productive workplaces; and
- Improve business to make Federal policies and administrative operations more productive.

Performance Measure	Performance Indicators		
	FY 2007 Actual	FY 2008 Current	FY 2009 Target
Total reports	137	167	176
Internal audit reports	36	47	48
Contract reviews (From reimbursable reviews)	101 (73)	120 (74)	128 (40)
Value of results:			
Avoidances & recoveries (From reimbursable funded work)	\$901M (\$888M)	\$522M (\$470M)	\$527M (\$270M)
Management decisions (From reimbursable funded work)	\$605M (\$597M)	\$450M (\$410M)	\$450M (\$210M)

OIG Strategic Goal #1. Enhance the performance of GSA and ensure optimum value for the taxpayer.

Performance Goal: The OIG will direct its resources to help GSA achieve its strategic goals and address management challenges. We consider our past work in GSA, the President’s Management Agenda initiatives, GSA’s Strategic Plan, and areas of vulnerability identified by our office, GSA management, or GAO in identifying key program issues. The following issues represent the key management challenges and vulnerabilities that the OIG believes merit attention—protection of Federal facilities and personnel, information technology, management controls, acquisition programs, human capital, stewardship of Federal real property, and contract management.

GSA-wide Goal: This OIG goal is linked to the following GSA strategic goals:

- Develop and deliver effective acquisition services and business solutions;
- Lead agencies on economical and efficient stewardship of Federal assets;
- Deliver and maintain productive workplaces; and
- Improve business to make Federal policies and administrative operations more productive.

The following table reflects the proportion of OIG products and services (audit reports and comments on proposals and other efforts) that had an identifiable positive impact on improving Agency performance. We measure positive impact of internal audits based on input we receive from GSA managers on our customer surveys. On contract reviews, we measure positive impact based on the actual savings resulting from the audit.

Performance Measure	Performance Indicators		
	FY 2007 Actual	FY 2008 Current	FY 2009 Target
Percentage of performance audits with a positive impact	66%	72%	74%
Reviews of legislative/regulatory or policy initiatives	60%	60%	60%

Strategic Goal No. 2

Protect the integrity of GSA programs and operations.

Discussion

One of the OIG's fundamental responsibilities is combating and preventing waste, criminal, and civil wrongdoing in GSA programs and operations. We are committed to using resources to ensure the integrity of GSA operations and programs by focusing on areas that have vulnerabilities and control deficiencies.

The OIG has a special concern that in an era of rapid change and emerging technology, these changes (absent adequate controls) may present unintended and increased opportunities for illegal and improper activities. We believe it is important to assess whether a new initiative has vulnerabilities, and, if so, mitigate these vulnerabilities early in the process.

Anticipated Results

During FY 2009, as part of a comprehensive initiative, the OIG will direct its efforts to protect the integrity of GSA operations by identifying and assessing vulnerabilities associated with its rapidly changing environment. The OIG intends to take a risk-based approach and focus its expertise in areas that have vulnerabilities and control deficiencies. We will perform various types of reviews to ensure programs operate within legal and regulatory limits. We will aim our efforts at detecting systemic vulnerabilities. We will investigate and deter illegal activities to the fullest extent of our abilities and resources. Our investigative resources will concentrate on high-impact cases, and we will respond to indications of illegal activities in a direct and timely manner. These areas include procurement integrity, facilities and personnel, management control, asset management, information technology, and financial accountability. We will particularly emphasize the controls over security, emerging technology issues, and charge cards. The efforts of the OIG will be directed towards preventing waste and wrongdoing in GSA, increasing the awareness of GSA managers regarding the prevention of fraud and waste, improving the detection of and response to corruption, and increasing the public trust in GSA's programs and operations.

OIG Strategic Goal #2. Protect the integrity of GSA programs and operations.

Performance Goal: The OIG intends to focus its resources and expertise on areas that are susceptible to waste, fraud, and wrongdoing. Our intent is to: increase awareness of the potential for wrongdoing, identify and mitigate program and operational vulnerabilities and control deficiencies, pursue potential wrongdoing to the fullest extent of our ability, and prevent waste and wrongdoing within GSA. These areas include the protection of Federal facilities and personnel, information technology, management controls, asset management, procurement activities, and financial accountability.

GSA-wide Goal: This OIG goal is linked to the following GSA strategic goals:

- Develop and deliver effective acquisition services and business solutions;
- Lead agencies on economical and efficient stewardship of Federal assets;
- Deliver and maintain productive workplaces; and
- Improve business to make Federal policies and administrative operations more productive.

The percentages shown for each outcome reflect the proportion of OIG products (audit reports, investigations, awareness initiatives, and other initiatives or evaluations) that have an identifiable positive impact on protecting the integrity of the Agency's programs and operations. We measure positive impact of internal audits based on input we receive from GSA managers on our customer surveys. On contract reviews, we measure positive impact based on the actual savings resulting from the audit.

Performance Measure	Performance Indicators		
	FY 2007 Actual	FY 2008 Current	FY 2009 Target
Impacted program integrity in the following areas:			
• Control, compliance, and accountability issues	100% ⁸	68%	70%
• Integrity issues	73%	60%	60%

⁸ The Office of Audits was able to achieve 100 percent in FY 2007 against a normal trend goal of 65 percent.

OIG Strategic Goal #2. Protect the integrity of GSA programs and operations.

Performance Measure	Performance Indicators ⁹		
	FY 2007 Actual	FY 2008 Current	FY 2009 Target
Number of Criminal Referrals*	280	240	240
Number of Civil Referrals*	60	35	35
Number of Administrative Referrals*	345	280	280
Civil Settlements*	9	6	6
Indictments/Information*	129	60	60
Successful Criminal Prosecutions*	104	60	60
Contractors Suspended/Debarred	155	130	130
Investigative Recoveries	\$114.0M	\$9.0M	\$9.0M
Fraud Awareness Briefings	55	30	30
High Priority Investigations	70%	70%	70%

*Performance indicators reflect predicted number for governmentwide activities to include all Federal agencies and employees, as well as contractor entities and personnel, associated with GSA programs and operations.

⁹ The Office of Investigations has steadily increased its goals in almost every of our output measurement categories during the past few years without an appreciable increase in total staffing levels. FY 2007 was a remarkable year for Investigations; in fact, we were able to meet and/or significantly exceed many of our goals as noted by a significant recovery from Oracle, Inc. (\$98.5M) that resulted in investigative recoveries just over ten times what we would have expected to recover in a normal year. In setting our goals for FYs 2008 and 2009, we assessed staffing levels, current and anticipated projects, and potential attrition rates. In FY 2008, the Inspector General has mandated that several projects/initiatives will involve Investigations staff. Staffing these projects will take away special agents who would normally be charged with conducting investigations and achieving other output goals. Additionally, we have experienced a dramatic increase in civil fraud *qui tam* allegations from the Department of Justice (currently 84 cases in inventory). Such cases are labor intensive and can take years to finally adjudicate, which further limits resources available to achieve future investigative results. After extensive analysis and careful thought, we are comfortable (given the size of our organization and available staff) that our goals in both FY 2008 and FY 2009 are significantly challenging.

U.S. General Services Administration
Office of Inspector General

The following table reflects the planned allocation of the Office of Audits' resources between contract audit issues, internal GSA program, and operational issues. (OIG Strategic Goals #1 and #2)

Type of Audit	FY 2007 Actual		FY 2008 Current		FY 2009 Target		Change FY 2008 to FY 2009	
	Estimate	Dollars	Estimate	Dollars	Target	Dollars	Target	Dollars
Contract Reviews:								
Appropriated		\$10.0M		\$11.1M		\$13.0M		
Reimbursable		\$4.7M		\$5.0M		\$2.8M		
Total	58%	\$14.7M	60%	\$16.1M	55%	\$15.8M	-5%	-\$0.3M
Internal Audits								
Appropriated		\$10.2M		\$11.0M		\$12.9M		
Reimbursable		\$0.3M		\$0.0M		\$0.0M		
Total	42%	\$10.5M	40%	\$11.0M	45%	\$12.9M	+5%	+\$1.9M

The Office of Audits will continue to focus internal audit resources on reviews that assist GSA to achieve its program goals. (OIG Strategic Goals #1 and #2)

Internal Audit Types	FY 2007 Actual		FY 2008 Current		FY 2009 Target		Change FY 2008 to FY 2009	
	Estimate	Dollars	Estimate	Dollars	Target	Dollars	Target	Dollars
Programmatic/Operational:								
Program Administration		\$5.6M		\$5.2M		\$6.2M		+\$1.0M
IT Systems		\$0.0M		\$0.4M		\$0.5M		+\$0.1M
Financial		\$0.8M		\$2.2M		\$2.5M		+\$0.3M
Programmatic/Operational	70%	\$7.4M	80%	\$8.8M	80%	\$10.3M	0%	+\$1.5M
Compliance	30%	\$3.1M	20%	\$2.2M	20%	\$2.6M	0%	+\$0.4M
Total	100%	\$10.5M	100%	\$11.0M	100%	\$12.9M	0%	+\$1.9M

Strategic Goal No. 3

Implement an efficient and effective human capital strategy.

Discussion

Our people are our most important resource. A skilled, focused, flexible, and diverse workforce is essential if we are to continue to provide and improve the services necessary to carry out our mission. Beginning in the mid-1990s, the OIG realized the need to better align our resources to meet our mission responsibilities. We took numerous actions to redefine our mission, restructure our operations, reduce management layers, redistribute management positions to direct line positions, and to more closely interact with our clients. Our goal was to become more results-oriented and better serve GSA. These actions were consistent with the stated goals of OMB Bulletin 01-07, "Workforce Planning and Restructuring."

Despite these actions, events over the past few years have combined to exacerbate our human capital issues. Specifically, we have had a difficult time hiring at mid-level positions and replacing and retaining qualified staff. Salaries, Federal hiring requirements and constraints, and stiff competition from the private sector and other government agencies have impacted our ability to hire people with the necessary skills. We are losing our junior staff to other agencies and the private sector, while our senior staff is retiring. We are faced with the potential loss of about 67 percent of our senior managers over the next 2 years. This has increased our need for managerial and leadership training for mid-level staff to prepare them to assume more senior leadership positions in the organization. In addition, the skills we need to do our work have changed. We have had a difficult time hiring accountants and mid-level IT specialists. Major statutes aimed at increasing the fiscal and managerial accountability of Federal agencies have impacted our work and increased our emphasis on financial issues. In addition, technology has had a tremendous effect on how the government conducts business, and consequently we need to apply technology in our audits, investigations, and internal management operations.

The OIG will continue to develop a human capital plan to provide the highly competent professional workforce necessary to complete our mission and meet future demands. We will incorporate these efforts into our overall work planning, budgeting, and evaluation processes. This will include a commitment to recruit, develop, train, retain, and reward a workforce that possesses the skills required to meet the changing and challenging demands for our services. We will address continuity of operations and skills through succession planning. The OIG will increase its commitment to both technical and managerial training to sustain functional expertise and encourage professional development.

Anticipated Results

Among the initiatives we plan to accomplish are enhancing our college recruiting program; completing a skills inventory and identification analysis; refining programs such as our career intern program, and various programs aimed at recruiting and retaining quality staff; streamlining and improving the efficiency of our hiring process; and developing the required technical and managerial training programs needed to provide and maintain needed skills.

OIG Strategic Goal #3. Implement an efficient and effective human capital strategy.

<p>Performance Goal: The OIG will implement a human capital management strategy to better support our mission. The purpose of the strategy is to ensure that we have a highly qualified workforce focused on our mission, and that we have identified key Agency problem areas. As part of our approach, we will identify and use available tools, such as the Career Intern Program, to more effectively recruit and retain staff. For staff development, we will address the critical technical, managerial, and leadership skills needed for continuity and sustained quality of operations. Additionally, we will monitor our performance evaluation system to ensure it provides meaningful feedback and fully recognizes individual and team accomplishments.</p> <p>GSA-wide Goal: This OIG goal is linked to the following GSA strategic goals:</p> <ul style="list-style-type: none"> • Deliver and maintain productive workplaces; and • Improve business to make Federal policies and administrative operations more productive. 				
Performance Measure	Performance Indicators			
	Standard	FY 2007 Actual	FY 2008 Current	FY 2009 Target
<p>Our human capital strategy will identify specific initiatives that will foster improvement in:</p> <ul style="list-style-type: none"> • Recruitment and retention • Staff development • Employee appraisal and recognition • Quality of life • Cost savings to OIG 	<p>Formalize a human capital management plan by the end of FY 2008 and implement plan initiatives over the following 4 years.¹⁰</p>	<p>Currently, reassessing our human capital strategy.</p>	<p>The OIG will assess our human capital strategy and will develop implementation plans in support of the OIG's overall mission.</p>	<p>TBD</p>

¹⁰ Each FY performance report will provide detail on each part of the human capital management plan implemented that year.

Strategic Goal No. 4

Enhance our organizational performance.

Discussion

This goal focuses on our work environment and business processes. We believe that this goal will serve two purposes—to make us more efficient in serving our clients and to help attract and retain a world-class workforce in our organization.

Our office's performance should be held to the highest standards. To achieve this, we will continue to emphasize improving the delivery of OIG products and services and create a more efficient work environment by investing in the office infrastructure, both technological and physical, that supports our strategic goals.

Timely, cost-effective, and quality products and services are critical in today's fast-paced and changing environment. Our work products must be responsive to Agency and customer needs. Continued improvements in timeliness and operating efficiency will require reassessing existing business processes, employing technology to the fullest extent possible, and improving management and coordination efforts. Further, we must better utilize the power of E-Government to make our products and services more accessible to our stakeholders.

We believe that appropriate and modern technological and physical work environments are important elements in successfully achieving our goals. We also believe that our audit and investigative functions must work closely with our administrative support activities to enhance our ability to meet mission requirements. We will ensure that we have the best possible work environment in several ways.

First, we recognize the benefits of technology in the work environment, and we have made great strides in incorporating it into our management approach and processes. We want to continue this progress toward providing reliable, integrated technology to our staff. We will maintain management information systems and networks that enhance our ability to exchange information, both inside and outside the OIG, and to conduct our work and perform analyses in a more secure, paperless environment. This will also help us better plan and manage our resources by providing timely and reliable performance information and financial data. Also, providing sufficient, portable technology to the staff will help streamline our processes and better leverage our limited human capital resources.

Next, we need to make an investment in our physical environment in order to support our human capital strategies. Initiatives in this area will affect where we locate our staff and how it is configured.

Lastly, administrative activities and processes supporting our line operations need to be better integrated and improved.

Real-time fiscal information, comprehensive information systems support, and full-range human resource support are essential to improve our operations. It is imperative that we enhance and integrate this infrastructure to support our strategic planning, human capital initiatives, and business goals.

Anticipated Results:

- Provide our customers with timely, quality OIG products in accordance with the standards established for the different types of audit and investigative reports we produce.
- Provide comprehensive IT support and information systems availability necessary for our professional and support staffs to meet their mission requirements.
- Provide timely and relevant budgetary, administrative, and human resource support to help our managers properly manage their resources and help them meet their mission needs.
- Begin implementation of a nationwide office modernization process, which will enhance the working environment of selected Regional and Central Office locations.

OIG Strategic Goal #4. Enhance our organizational performance.

<p>Performance Goal: This performance measure reflects how our customers perceive our products and services. Our three main components each use customer surveys to gauge the level of customer satisfaction. The areas that are covered by the surveys are: meeting customer needs, clarity of information provided, relevancy, timeliness, and value added. Activities are evaluated against a “standard” that reflects “expected average performance.”</p> <p>GSA-wide Goal: This OIG goal is linked to the following GSA strategic goals:</p> <ul style="list-style-type: none"> • Develop and deliver effective acquisition services and business solutions; • Lead agencies on economical and efficient stewardship of Federal assets; • Deliver and maintain productive workplaces; and • Improve business to make Federal policies and administrative operations more productive. 				
Performance Measure	Performance Indicators			
	Standard	FY 2007 Actual	FY 2008 Current	FY 2009 Target
Effectiveness- Customer Surveys	Scale: 1-5 (5 high)			
<ul style="list-style-type: none"> • Audit/contract review products 	4.0 ¹¹	88%	85%	90%
<ul style="list-style-type: none"> • Administrative products and services (internal to the OIG) 	4.0 ¹²	92%	92%	92%

¹¹ Each customer survey has an average score of 4.0 or higher on a scale from 1 to 5, where 1 indicates the individual strongly disagrees and 5.0 indicates that the individual strongly agrees.

¹² This represents a composite score on various OIG products.

U.S. General Services Administration
Office of Inspector General

OIG Strategic Goal #4. Enhance our organizational performance.

Performance Goal: This performance measure demonstrates the timeliness and effectiveness of our products and services. OIG products and services are evaluated against a standard that reflects “expected average performance.” For example, if a performance standard for completion of a particular type of audit or investigation is 30 days, it means that the average time it will take to complete the review will be 30 days or less. If the target is 65 percent that means that 65 percent of the OIG reports will be completed within 30 days.

GSA-wide Goal: This OIG goal is linked to the following GSA strategic goals:

- Develop and deliver effective acquisition services and business solutions;
- Lead agencies on economical and efficient stewardship of Federal assets;
- Deliver and maintain productive workplaces; and
- Improve business to make Federal policies and administrative operations more productive.

The Office of Audits establishes two unique performance targets for each type of audit—one measures the direct work hours (cost effectiveness) it takes to complete an audit project and the other measures the days (timeliness) it takes to complete an audit project. The performance standards listed below reflect the percentage of time that the office performs audits from beginning to end within the established standards.

Performance Measure	Performance Indicators			
	Standard	FY 2007 Actual	FY 2008 Current	FY 2009 Target
<u>Audits and Reviews</u> ¹³ :				
Cost effectiveness	Direct hours to perform audits based on a unique performance standard for each type.			
• Contract	<u>Example hours:</u>			
	• Attestation – 800 hours	61%	57%	60%
• Internal	• Operational – 4,000 hours	68%	67%	70%
	• Compliance – 1,800 hours			
Timeliness	Days to perform audits based on a unique standard for each type of audit.			
• Contract	<u>Example days:</u>			
	• Attestation – 90 days	32%	57%	60%
• Internal	• Operational – 320 days	50%	65%	67%
	• Compliance – 180 days			

¹³ We perform both contract reviews and internal reviews. We have identified different performance standards in terms of days and hours for each type of audit/review. The performance and target goals represent the composite result, in terms of percentage of time, that the office meets various product standards measured in direct hours and days estimated to accomplish audit work products.

U.S. General Services Administration
Office of Inspector General

OIG Strategic Goal #4. Enhance our organizational performance.

The Office of Investigations has established a standard that reflects a dramatic improvement in the time frame within which they will conduct nearly all of their activities.				
Performance Measure	Performance Indicators¹⁴			
	Standard	FY 2007 Actual	FY 2008 Current	FY 2009 Target
<u>Investigations:</u>	Days to perform different types of investigations based on a unique standard for each type of investigation.	Percentage of investigations that meet unique performance standards.		
Timeliness				
• Fraud/Other Crime	Class I is 480 days; Class II is 240 days	95%	75%	75%
• Suspensions/Debarments	Class I and II are 45 days.	98%	80%	80%
• Administrative	Class I is 180 days; Class II is 90 days.	100%	80%	80%

Investigation descriptions:

Class I – Involves allegations concerning GSA programs, operations, and/or personnel that have one or more of the following characteristics:

- Criminal or civil violation with a loss to the government of \$250,000 or more;
- GSA contractor integrity issue (suspension/debarment) involving potential or actual contracts with a value of \$250,000 or more;
- Significant health or safety issue;
- Corruption of GSA official/employee; and/or
- Serious integrity issue involving GS-15 or above.

Class II – Involves allegations concerning GSA programs, operations, and/or personnel that have one or more of the following characteristics:

- Criminal or civil violation with a loss to the government of less than \$250,000;
- GSA contractor integrity issue (suspension/debarment) involving potential or actual contracts with a value of less than \$250,000; and/or
- Serious integrity issue involving GS-14 or below.

¹⁴ The Office of Investigations has steadily increased its goals in almost every of our output measurement categories during the past few years without an appreciable increase in total staffing levels. FY 2007 was a remarkable year for Investigations; in fact, we were able to meet and/or significantly exceed many of our goals. In setting our goals for FYs 2008 and 2009, we assessed staffing levels, current and anticipated projects, and potential attrition rates. In FY 2008, the Inspector General has mandated that several projects/initiatives will involve Investigations staff. Staffing these projects will take away special agents who would normally be charged with conducting investigations and achieving other output goals. Additionally, we have experienced a dramatic increase in civil fraud *qui tam* allegations from the Department of Justice (currently 84 cases in inventory). Such cases are labor intensive and can take years to finally adjudicate, which further limits resources available to achieve future investigative results. After extensive analysis and careful thought, we are comfortable (given the size of our organization and available staff) that our goals in both FY 2008 and FY 2009 are significantly challenging.

U.S. General Services Administration
Office of Inspector General

OIG Strategic Goal #4. Enhance our organizational performance.

The Office of Administration, Office of Internal Evaluation and Analysis, and Office of Counsel to the IG applied standards to reflect the need to improve performance in specific targeted areas.

Performance Measure	Performance Indicators			
	Standard	FY 2007 Actual	FY 2008 Current	FY 2009 Target
	Days to perform different types of legal, field office reviews, and administrative type activities. ¹⁵	Percentage of administrative activities that meet unique performance standards.		
<ul style="list-style-type: none"> FOIA/PA Requests 	Thirty days to process a FOIA/PA request	90%	91%	91%
<ul style="list-style-type: none"> System Availability 	Systems are available to all OIG users 97 percent of the time.	97%	97%	97%
<ul style="list-style-type: none"> Provide Information Resources 	Requests to review hardware/software applications are responded to within 5 days.	95%	95%	95%
<ul style="list-style-type: none"> Budget and Management Reports 	Reports are completed within 5 days of a reporting period.	98%	98%	98%
<ul style="list-style-type: none"> Procurement Actions 	Ninety-five percent of procurement actions are completed within 5 days.	97%	97%	97%
<ul style="list-style-type: none"> Personnel Actions/Requests 	Time varies depending upon the nature of the action/request; it varies between the same day and 21 days depending on the action/request.	97%	97%	97%
<ul style="list-style-type: none"> Formalize plans for modernizing work environment (physical and technological) and implement initiatives.¹⁶ 		N/A	TBD	TBD

¹⁵ Each of the performance measures listed has performance standards in terms of days to complete.

¹⁶ New target goals have not been established due to the possible renovations of GSA Central Office and NCR.

**Performance Plan: Allocation of OIG Resources
(Dollars in Thousands)**

Organization	FY 2007 Actual	FY 2008 Current	FY 2009 Target
Total OIG	\$47,664	\$52,882	\$54,000
Audits	\$20,629	\$23,849	\$26,088
Investigations	\$13,600	\$15,615	\$15,965
Executive Direction and Business Support Components ¹⁷	\$13,435	\$13,418	\$11,947

¹⁷ During FY 2007, for purposes of tracking expenditures, projects that benefit the entire OIG such as data encryption, email system modification, security background checks, etc. are included within the Executive Direction funding line and will eventually be distributed among all business components once projects are fully realized.

U.S. General Services Administration
Office of Inspector General

FY 2009 Resources Allocation
By Strategic Goal
(Dollars in Thousands)

		Audits	Investigations	Executive Direction and Business Support	Total
Strategic Goal No. 1: Enhance the performance of GSA and ensure optimum value for the taxpayer.	Direct	\$15,865	\$0	\$3,584	\$19,449
	Reimbursable	\$2,800	\$0	\$0	\$2,800
Strategic Goal No. 2: Protect the integrity of GSA programs and operations.	Direct	\$6,346	\$11,495	\$3,345	\$21,186
	Reimbursable	\$0	\$250	\$0	\$250
Strategic Goal No. 3: Implement an efficient and effective human capital strategy.	Direct	\$2,861	\$1,916	\$1,195	\$5,972
	Reimbursable	\$0	\$140	\$0	\$140
Strategic Goal No. 4: Enhance our organizational performance.	Direct	\$1,016	\$2,554	\$3,823	\$7,393
	Reimbursable	\$0	\$60	\$0	\$60
Total by Organization	Direct	\$26,088	\$15,965	\$11,947	\$54,000
	Reimbursable	\$2,800	\$450	\$0	\$3,250

U.S. General Services Administration

ACQUISITION SERVICES FUND

Fiscal Year 2009 Budget Request

CONTENTS

Program Financing	2
Obligations by Object Classification	3
Explanation of Changes	4
Results of Operations by Program	6
Program Assessment Rating Tool (PART) Reviews	10
Integrated Technology Services Portfolio.....	11
Assisted Acquisition Services Portfolio.....	17
General Supplies and Services Portfolio.....	20
Travel, Motor Vehicle and Card Services Portfolio.....	26

Program Financing

The Acquisition Services Fund (ASF) is a full cost recovery revolving fund that finances the acquisition of information technology solutions, telecommunications, vehicles, supplies and a wide range of services for Federal agencies. This fund recovers all costs through fees charged to Federal agencies for services rendered and commodities provided.

The GSA Modernization Act of 2006 (P.L. 109-313) established the Acquisition Services Fund (ASF) to collect receipts from customer Federal agencies and finance operations of the Federal Acquisition Service (FAS) organization. The ASF merged the programs and activities that were previously performed under two separate revolving funds: the General Supply Fund (GSF) and the Information Technology Fund (ITF). This merger will improve accountability by increasing transparency of financial operations and improving oversight over the fund by the GSA Chief Financial Officer.

During FY 2007, GSA and FAS developed a Cost and Capital Plan for the ASF in order to assist management in balancing the needs of the fund. The annual ASF Cost and Capital Plan is a tool to assist in assuring the continued solvency of the ASF and the financial viability of FAS. The plan ensures the Administrator that ASF rates are at necessary planned levels to recover reasonable and necessary costs, which enables GSA to meet its goal of stewardship of government resources and promotes financial accountability. The three principals that govern the preparation of the plan are:

- (1) ASF rates must ensure full cost recovery;
- (2) All contributions and deductions – including estimated profits and losses and all capital investments and one-time costs -- will be based on reliable projections of cost, prepared in accordance with cost estimation best practices; and
- (3) Business units will monitor performance throughout the year, and take immediate action to correct unplanned profits or losses.

Obligations by Object Classification
(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Request
11.1 Full-time, permanent.....	\$305,538	\$306,833	\$313,469
11.3 Other than full-time permanent.....	1,159	1,174	1,200
11.5 Other personnel compensation.....	12,495	14,402	14,714
12.1 Civilian personnel benefits.....	78,132	78,357	80,052
21.0 Travel and transportation of persons.....	11,432	9,084	9,302
22.0 Transportation of things.....	51,405	54,140	55,440
23.1 Rental payments to GSA.....	58,876	53,477	53,827
23.3 Communications and utilities.....	9,559	10,005	10,246
Subtotal, Rent, communications & utilities.....	\$68,435	\$63,482	\$64,073
24.0 Printing and reproduction.....	3,927	2,791	2,858
25.2 Other services.....	5,243,177	5,073,404	5,192,486
25.3 Goods & services from Gov't accounts.....	273,722	359,863	368,470
Subtotal, Contractual services.....	\$5,516,899	\$5,433,267	\$5,560,956
26.0 Supplies and materials.....	2,477,821	2,923,298	2,993,458
31.0 Equipment.....	775,938	1,023,407	1,047,969
99.0 Total obligations.....	\$9,303,181	\$9,910,235	\$10,143,491
Subtotal, PC&B.....	397,324	400,766	409,435
Subtotal, Non-labor.....	8,905,857	9,509,469	9,734,056

Explanation of Changes

FY 2007 financial results reflect a year of significant organizational change and across the board cost control to restore the financial health of the ASF. The FY 2008 financial plan reflects a rebalancing of resources across the organization to achieve breakeven for each portfolio. The FY 2009 request represents a year of stable operations with inflationary budget increases. FAS is continuing to refine its resource requirements to meet the needs of its customers and the policies of the Administration.

The on-going reorganization of FAS became final in May 2007, and implementation continues. Over the last three years the Assisted Acquisition Service (AAS) Portfolio has suffered significant losses placing a tremendous burden on other FAS business lines. To ensure the financial health of FAS, a hiring freeze with a disciplined exception process was enforced and other costs were controlled across the organization. As a result of these actions, FAS returned to a position of financial health in FY 2007 with the exception of the AAS. Losses in this portfolio were covered by positive financial performance in other areas.

FY 2008 financial results for the Fund are projected to show essentially break-even. The majority of budget changes represent inflation, restoration of funds for Full Time Equivalents (FTE), and projects required to maintain effective operations. The most significant change is the movement of FTE from the AAS portfolio to other FAS portfolios and other parts of GSA to allow AAS to reduce its costs and achieve breakeven. These changes are planned to occur without buyouts or reductions in force. In addition, the FY 2008 budget includes the transfer of resources to other parts of GSA resulting from the FAS reorganization (e.g., FAS seat management shifted to the GSA Chief Information Officer).

The FY 2009 budget anticipates relatively stable business volumes and operating costs. Program increases included in the FY 2009 request are limited to inflation over FY 2008 operating levels. Increases are limited to business volume adjustments, capital acquisitions, Federal pay raise, and adjustments for inflation. There are no significant increases in operating costs over FY 2008 levels.

The FY 2009 budget increases FY 2008 obligation levels by \$234 million (or 2.4%).

- \$115 million is provided for business volume adjustments (cost of goods procured on behalf of other Federal agencies).
- \$85 million is provided for inflationary increases in goods and services.
- \$25 million is provided for inflationary increases in capital acquisitions, primarily price increases in vehicles purchased.
- \$12 million is provided to fund the Federal pay raise for an estimated 3,662 FTE.
- \$3 million in savings is achieved through a reduction of 30 FTE from FY 2008 levels.

Explanation of Changes

(Dollars in Thousands, Annual Appropriation)

	FTE	Obligations
2008.....	3,692.0	\$9,910,235
2009.....	3,662.0	\$10,143,491
Net Change.....	-30.0	\$233,256

	FTE	Obligations
Maintaining Current Levels:		
Annual Pay Increase		\$12,023
Inflation on Goods and Services		\$85,274
Subtotal, Maintaining Current Levels.....		\$97,297
Program Decreases:		
Efficiency Savings.....	-30.0	-\$3,354
Program Increases:		
Business Volume Adjustments		\$114,750
Change in Capital Acquisitions		\$24,563
Subtotal, Program Increases.....		\$139,313
Net change.....	-30.0	\$233,256

*U.S. General Services Administration
Acquisition Services Fund*

Results of Operations by Program

(Dollars in Thousands)

	<u>2007 Actual</u>	<u>2008 Current</u>	<u>2009 Request</u>
Results of Operations			
1. Integrated Technology Services (ITS)			
Revenue	1,290,495	1,296,719	1,305,567
Acquisition Training Fund	(7,335)	(6,375)	(6,375)
Cost of Goods Sold	969,783	954,710	957,238
Gross Margin	313,377	335,634	341,954
Total Cost of Operations	211,992	257,055	262,111
Operating Results Before Reserves	101,385	78,579	79,843
Reserve Expenses	12,568	57,949	63,247
Net Operating Results	\$88,817	\$20,630	\$16,596
2. Assisted Acquisition Services (AAS)			
Revenue	3,719,936	3,797,048	3,896,962
Acquisition Training Fund	0	0	0
Cost of Goods Sold	3,610,627	3,675,000	3,771,650
Gross Margin	109,309	122,048	125,312
Total Cost of Operations	161,845	120,756	123,306
Operating Results Before Reserves	(52,536)	1,292	2,006
Reserve Expenses	1,684	361	510
Net Operating Results	(\$54,220)	\$931	\$1,496
3. General Supplies and Services (GSS)			
Revenue	1,398,465	1,355,090	1,356,383
Acquisition Training Fund	(6,732)	(6,760)	(7,000)
Cost of Goods Sold	944,082	901,828	897,300
Gross Margin	447,651	446,502	452,083
Total Cost of Operations	400,192	442,356	449,783
Operating Results Before Reserves	47,459	4,146	2,300
Extraordinary Expense	6,688	0	0
Net Operating Results	\$40,771	\$4,146	\$2,300

U.S. General Services Administration
Acquisition Services Fund

	<u>2007 Actual</u>	<u>2008 Current</u>	<u>2009 Request</u>
Results of Operations			
4. Travel, Motor Vehicle and Card Services (TMVCS)			
Revenue	2,450,907	2,484,470	2,532,643
Acquisition Training Fund	(915)	(576)	(552)
Cost of Goods Sold	1,335,082	1,348,422	1,368,522
Gross Margin	1,114,910	1,135,472	1,163,569
Total Cost of Operations	1,020,778	1,083,814	1,109,117
Operating Results Before Reserves	94,132	51,658	54,452
Reserve Expenses	66,331	65,000	65,000
Net Operating Results	\$27,801	(\$13,342)	(\$10,548)
5. Integrated Acquisition Environment (IAE)			
Revenue	39,710	36,134	35,172
Total Cost of Operations	39,710	36,134	35,172
Net Operating Results	\$0	\$0	\$0
6. Total ASF			
Revenue	8,899,513	8,969,461	9,126,727
Acquisition Training Fund	(14,982)	(13,711)	(13,927)
Cost of Goods Sold	6,899,284	6,916,094	7,029,882
Gross Margin	1,985,247	2,039,656	2,082,918
Total Cost of Operations	1,794,807	1,903,981	1,944,317
Operating Results Before Reserves	190,440	135,675	138,601
Reserve Expenses	87,271	123,310	128,757
Net Operating Results	103,169	12,365	9,844
Net Outlays	(104,000)	0	0
FTE	3,814	3,692	3,662

NOTE: TMVCS Portfolio Revenue and Cost of Goods Sold include \$747.8 million, \$786.0 million, and \$817.3 million in intra-GSA sales of vehicles that GSA Fleet has purchased from GSA Automotive in FY 2007 and plans to purchase in FY 2008 and FY 2009, respectively.

Program Description

FAS business operations are organized into four business portfolios based on the product or service provided to customer agencies. This structure allows GSA to position itself in the market for acquiring products and services for Federal agencies while supporting GSA's Strategic Plan and goals.

The Information Technology Services (ITS) portfolio is responsible for the planning, design, development, and implementation of information technology acquisition programs that offer value-added choices to GSA customers. ITS has developed and implemented many innovative services to serve its customers and the American taxpayer. In response to the Homeland Security Presidential Directive 12 (HSPD-12), ITS began providing compliant identification cards to other Federal agencies, ensuring a safer working environment for all government employees. GSA's Networkx program within this portfolio provides best value by providing telecommunications and networking services and technical solutions to all Federal agencies at greatly reduced prices.

The Assisted Acquisition Services (AAS) portfolio provides acquisition, project management, and financial management services that are customized to meet the specialized needs of other Federal agencies. AAS offers both savings and enhanced performance to customer agencies at best value by providing full service requirements and through the development and implementation of complex solutions.

The General Supplies and Services (GSS) portfolio is responsible for acquisition and supply chain services for a wide range of general supplies used by Federal agencies and for supply chain management relating to excess/surplus Federal property, including sales auctions. Typical offerings within the GSS portfolio support GSA's delivery of best value solutions to customers. The National Furniture Center (NFC) within this portfolio helps maintain superior workplaces throughout the Government by providing goods and services from simple office furnishings to the total build out of workspace. The Personal Property Management program within this portfolio directly supports stewardship by encouraging the use of more efficient and effective disposal methods for personal property.

The Travel, Motor Vehicle and Card Services (TMVCS) portfolio develops and manages programs for the acquisition of travel, transportation, and charge card services while also auditing the Government's worldwide transportation billings. GSA's umbrella of motor vehicle services are also part of this portfolio: GSA Fleet provides vehicle leasing services and GSA Automotive is the mandatory source within the Federal government for the purchase of motor vehicles. GSA's stewardship goal is supported by GSA Fleet through the program's ability to lease vehicles to customer agencies at significant discounts compared to what is available in the private sector. GSA Fleet is striving to increase the percentage discount that is realized on leased vehicles and reduce its operating cost per vehicle, ensuring further support of the stewardship goal. FAS also provides innovative, policy-compliant solutions within this portfolio, such as alternative fuel vehicles that enable customers to meet the government's Energy Policy Act (EPACT) requirements.

The FAS portfolio structure enables GSA and FAS to meet increasing customer demand for acquisition services by aligning resources around key functions. Chief among these resources is GSA's acquisition workforce. The portfolio structure aligns the acquisition workforce around customer segments, which increases staffing flexibility and organizational efficiency. The efficient acquisition of goods and services is an essential component in GSA's success as a best value source for customer agencies.

Compliance with Federal laws, regulations and policies is another key goal of the entire FAS organization. The portfolio structure supports and ensures compliance by standardizing operations and procedures across GSA. Consolidation and standardization will help FAS become the premier provider of goods and services to the Federal government and will increase access to government business for small and large industry partners.

FY 2009 Budget

FAS continues to manage its resources in a way that is consistent with the needs of its customers, levels of business activity, and policies of the Administration. The following key trends affect FAS customers and drive the operations of the FAS organization: tighter budgets for customer agencies, strategic sourcing, customers seeking best value, and changing industry and technology trends.

FAS helps customer agencies to operate within constrained budgets by reducing both the administrative costs of acquisitions and the contract costs of goods and services. Savings in contract costs are achieved through increased vendor competition; savings in acquisition costs are achieved through streamlined processes and operations. Customers realize savings through fees that are lower than the operating costs of administering their own, in-house programs. The FAS portfolio structure provides transparency and alignment between GSA costs and fees assessed to customers.

FAS promotes strategic sourcing across the government and is uniquely equipped to utilize customer information from all Federal agencies to make informed procurement decisions. The FAS organization shares information across business lines in order to assist in providing world class service.

FAS provides customers with best-value acquisition solutions by offering greater choices in the levels and types of acquisition services provided. GSA's customer base is a complex market that seeks different value propositions. The FAS business model ensures the appropriate mix of expertise based on customers' needs. This allows FAS to create fee structures which are appropriate for the services provided to customer agencies.

FAS has established a number of programs to ensure that customers continue to receive the value they expect and deserve from GSA contracts. Pre-award audits are one of the many tools that FAS relies on to ensure that customers receive best-value solutions. FAS relies on the GSA Inspector General to provide independent evaluations of FAS contracts prior to award. Pre-award audits assure customers that FAS products and services are and continue to be the best value solutions.

FAS has the flexibility to meet changing industry and technology trends and continues to provide relevant products and services in a fluid acquisition environment. FAS combines legacy organizations and funding vehicles that once separated GSA products from service offerings. FAS eliminates outdated boundaries to provide integrated acquisition solutions that combine procurements of technology and telecommunications products with the management services necessary for implementation. FAS improves GSA's market position and contributes to GSA's reputation as a world class provider of goods and services to the Federal community.

Program Assessment Rating Tool (PART) Reviews

From FY 2002 through FY 2007, FAS analyzed operations within the four FAS portfolios through a joint effort with the Office of Management and Budget (OMB). FAS and OMB use the PART process to find ways to improve program effectiveness and accountability. This was achieved through the following reviews: AAS Portfolio, ITS Portfolio, GSS Supply Operations, GSS Acquisition Operations, GSS National Furniture Center, GSS Personal Property, TMVCS GSA Fleet, TMVCS GSA Automotive, TMVCS GSA Transportation Programs, TMVCS GSA Travel Programs, and TMVCS GSA Card Services (SmartPay®). The table below summarizes the total costs incurred by each program to deliver the respective goods and services to customers including all operating expenses, Cost of Goods Sold (COGS) and reserve expenses.

PART Funding Summary Table

(Dollars in Thousands)

Portfolio	Program	FY 2007 Actual	FY 2008 Current	FY 2009 Request
Integrated Technology Services (ITS)	Integrated Technology Services	\$1,194,343	\$1,269,714	\$1,282,597
Assisted Acquisition Services (AAS)	Assisted Acquisition Services	\$3,774,157	\$3,796,117	\$3,895,466
General Supplies and Services (GSS)	Supply Depots and Special Order	\$1,067,329	\$1,096,868	\$1,095,983
	Acquisition Operations	\$107,008	\$99,486	\$100,256
	Personal Property Management Program	\$29,642	\$39,165	\$40,093
	National Furniture Center	\$160,496	\$123,834	\$126,369
Travel, Motor Vehicle, and Card Services (TMVCS)	Vehicle Acquisition	\$1,346,888	\$1,359,804	\$1,380,128
	Vehicle Leasing	\$1,042,097	\$1,097,309	\$1,121,601
	GSA Travel Programs	\$15,642	\$20,484	\$20,581
	GSA Transportation Programs	\$18,190	\$21,219	\$21,219
	Card Service Program	\$10,149	\$9,919	\$10,114
Total		\$8,765,941	\$8,933,919	\$9,094,407

Integrated Technology Services Portfolio

The Integrated Technology Services (ITS) Portfolio provides customer agencies with a full range of information technology and telecommunication goods and services. Operations within this portfolio include: Network Services, Multiple-Award Schedules (MAS) for Information Technology (IT) and Government-wide Acquisition Contracts (GWACs) for IT and telecommunications products and services. Consolidated ITS programs aggregate requirements and leverage the Federal government's buying power to obtain a full range of end-to-end IT and telecommunications products and services. Significant savings for customer agencies are achieved, while reducing the need for redundant purchasing activities across the government.

The Network Services business line delivers local, national, and international telecommunications services, solutions, and support to 132 Federal agencies and commissions at locations around the globe. The program includes a Regional Telecommunications business unit that provides local telecommunications services and a Long Distance business unit, which provides national and international wire line, wireless, and satellite communications services.

The MAS program for IT provides direct access to a vendor's goods and services through contracts established by GSA. The GWAC program establishes specialty and solution-based government-wide contracts which provide a wide range of IT solutions. GSA has been granted Executive Agent authority by the Office of Management and Budget (OMB) to establish these contracts for use by customer agencies.

Strategic Direction / Value Proposition – ITS Portfolio

The ITS portfolio value proposition to customer agencies is outlined below.

- Consistently deliver quality IT products, systems, services and acquisition support to customers when, where, and how they need them.
- Reduce potentially duplicative customer acquisition efforts, allowing them to focus their increasingly limited resources on their core missions.
- Provide customers with products and services at better prices than they could obtain individually.
- Provide access to the most current commercial IT products and services through customer awareness, industry knowledge, and sound contracting practices.
- Sustain government access to the IT market by offering complementary product channels.

The ITS organization is able to support these value propositions through a structure designed to provide superior acquisition support and services.

Business Planning and Direction – ITS Portfolio

On January 16, 2006 FAS introduced the MAS (Multiple Award Schedule) Express Program, a pilot program that is designed to accelerate new MAS contract awards for vendors to get on schedules. Vendors who meet certain predetermined requirements are able to reduce cycle times for participating on GSA's Multiple Award Schedules. One of the major objectives of the program is to make products and services available to customers in a more timely manner and to streamline and simplify the contracting process. MAS Express is available to vendors that participate in five different GSA schedules including the widely used Schedule 70 (IT Schedule), which provides IT hardware, software, and related professional and supporting services. The pilot program proved an initial success, and is being expanded to other schedules outside of ITS. This program includes funding for both technology to automate the offer process, and pre-offer training for prospective bidders, to ensure offers submitted are of the highest quality.

In FY 2008, ITS will focus on expanding its market share by transitioning to two new contracts: Networkx (telecommunications) and Alliant (IT solutions). ITS will increase the use of the IT Multiple Award Schedules (MAS) by revising the solicitation to include more IT products and services that are new to the market place. ITS will continue to assist customer agencies in meeting their acquisition needs, ranging from meeting socioeconomic goals to the timely procurement of mission critical technology, services, and solutions.

FY 2008 will be the first full fiscal year of availability of the new Networkx telecommunications contract. ITS established the Networkx contract to provide more competitive prices and higher-quality services, and to allow customer agencies to obtain a broader range of services from multiple carriers. ITS has responded to customer requests for expanded access to telecommunications security and infrastructure solutions. ITS has structured the Networkx contract to include aggressive price goals, increase the utilization of small businesses, and increase the use of performance-based contracts. Networkx delivers nearly 50 services that span myriad voice, video and data applications. Networkx adds nine Internet Protocol (IP)-based offerings along with optical, professional and wireless services. Networkx will increase the value that FAS delivers to its current customers and will attract additional customers, maximizing the savings GSA provides to the Federal government. The transition from legacy contracts to Networkx will continue into FY 2009.

Also in FY 2008, the Alliant IT solutions contract will enter its first full year of availability. ITS established the Alliant contract to provide its customers with greater flexibility in procuring IT products and services. ITS has structured the Alliant contract around a flexible definition of "information technology" that will keep up with changing trends in the industry and allow customers to access the most current IT solutions, regardless of changes in the marketplace. ITS has aligned Alliant offerings with the Federal Enterprise Architecture (FEA) to create interoperable government-wide solutions, and uses strategic sourcing, performance-based contracting, and earned value management to ensure best value. Alliant will increase the value that FAS delivers to the Federal government by reducing costs and delivering FEA-compliant solutions. The transition from legacy contracts to Alliant will continue into FY 2009.

Human Capital: ITS requires a skilled workforce in order to accomplish program goals and better serve our customers. A skilled workforce is essential to delivering high-quality service and strengthening GSA's reputation as a world-class acquisition organization. The transition to a consolidated FAS organization has brought considerable changes to the component business units of the ITS portfolio.

In FY 2007, there was a focus on optimizing the organization through a hiring freeze. The freeze was successful from an organizational perspective. In FY 2008 ITS is requesting additional FTE to ensure successful transition to its new contracts and improve contract management for the IT Schedule and GWACs. The majority of the requested FTE are planned to come from the AAS portfolio as FAS balances resources with anticipated workload.

Regulatory Compliance: FAS is committed to ensuring that agencies' use of GSA and other contracting vehicles is in full compliance with regulations, policies, procedures, and best practices. ITS meets this commitment by: 1) ensuring compliance with Federal contracting regulations; 2) making contracting policies and procedures clear and explicit; 3) ensuring competition for all contracts and task orders; 4) improving transparency relating to how GSA contract vehicles and services are used; and 5) ensuring that taxpayers get the best value for their tax dollar whenever GSA's contract vehicles or services are used.

Government-wide Initiatives: FAS is involved in four key government-wide initiatives that support all Federal agencies and their procurement and management of IT acquisitions and management of IT requirements.

SmartBUY: Software Managed and Acquired on the Right Terms is a government-wide "good for government" initiative. SmartBUY supports effective enterprise level software management through the aggregate buying of commercial software to achieve bulk savings. GSA was designated the Executive Agent under Section 5112(e) of the Clinger-Cohen Act for the SmartBUY interagency initiative, and leads the interagency team in negotiating government-wide enterprise licenses for software. The SmartBUY initiative includes commercial off-the-shelf (COTS) software that is generally acquired using license agreements with terms and prices that vary based on volume. The SmartBUY initiative includes the following types of software licenses: Office Automation, Network Management, Antivirus, Database, Business Modeling Tools, and Open Source Software support.

Electronic Authentication: GSA has been designated as the lead agency for electronic Authentication technologies, which is one of the President's Management Agenda electronic government initiatives. The e-Authentication initiative was established to provide the Federal government with the critical capability of verifying the identity of all entities (citizens, businesses or government employees) when accessing a Web-based government service/system. GSA has partnered with the other 23 CFO Act agencies to form an Executive Steering Committee (ESC). The ESC provides management guidance and oversight to this initiative and encourages adoption of e-Authentication technologies across member agencies. The ESC has selected a federated identity approach to e-Authentication. Under this approach, the government developed a common framework for electronic authentication and created an e-Authentication Federation where member agencies allow their users accessing government services online to use existing credentials issued by third party Federation credential providers (e.g. banks). The Federated identity approach was chosen due to its superior financial and business value, as well as its low, manageable risk. The successful execution of this initiative will provide taxpayers with a simple, convenient, and – most of all – secure means to interact with their government.

Homeland Security Presidential Directive 12 (HSPD-12): On August 27, 2004, the President issued HSPD-12, mandating a government-wide standard for secure and reliable forms of identification for all employees and contractors of Federal agencies. This standard

ensures that government facilities and data stores are reliable and secure. The Office of Management and Budget (OMB) was directed to oversee agency implementation. Agencies must ensure consistency with existing privacy and security laws and policies to ensure employee and contractor information is protected and appropriately used.

OMB designated GSA as the managing partner responsible for creating the HSPD-12 Managed Services Offering (MSO) Program Management Office. This office awarded a contract in April 2007 to support any Federal agency that is interested in participating in buying end to end services to be compliant with HSPD-12. The services offered through this new contract offer a more robust set of choices at lower prices than previous contracts. The commitment from GSA to OMB and its federation members is that all members of the federation shall have the capability to receive a credential by October 27, 2008. Currently, the MSO has approximately 60 Agencies and Commissions as customers and estimates that over 800,000 Federal employees and contractors will be supported.

The FY 2008 and FY 2009 budgets include a request for additional contract support to assist ITS with roll-out and implementation of credentials across the government. This includes establishing more than 200 badging stations nation-wide, credentialing, and tracking Federal employees and contractors. Use of contractors for this effort was selected because this is a surge requirement that is planned to end in FY 2009. This additional contract support will be substantially reduced as the program moves from implementation to maintenance.

IT Infrastructure Optimization Initiative Line of Business (IT IOI LoB): In March 2006, OMB designated GSA as the managing partner for the IT IOI LoB. The purpose of the LoB is to further refine the opportunities for IT infrastructure consolidation and optimization, and develop Government-wide common solutions. The two major objectives of the LoB are to 1) increase cost efficiency for commodity IT infrastructure and 2) improve IT infrastructure service levels. This LoB will define specific common performance measures for service levels and costs, identify best practices, and develop guidance for transition plans within and across Federal agencies. Consolidation and optimization of IT infrastructure represents a significant opportunity to realize future cost savings by taking a more coordinated approach to spending on IT infrastructure. The IT IOI LoB will be transitioned from the GSA Office of Government-wide Policy and into FAS' ITS Portfolio during FY 2008 and FY 2009, the project will reside within this portfolio as it is a natural fit with the goods and services provided by the ITS portfolio.

Long-Term Outcome Goals – ITS Portfolio

During the FY 2007 PART process, the ITS Portfolio adapted its long-term goals to more effectively guide its operations going forward. These goals are based on the Federal Acquisition Regulations (FAR), since the principal purpose of FAS is to assist Federal agencies in procuring goods and services to meet their mission critical needs while following the guidelines established in the FAR.

The long-term goals for the ITS Portfolio are as follows:

1. Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and telecommunications services and solutions.

GSA achieves this goal through the following business practices which are also prescribed in the FAR: 1) FAS provides customers with the opportunity to maximize the use of commercial products and services, 2) FAS will not use contractors who have a track record of unsuccessful past performance or who demonstrate an inability to perform; and 3) FAS promotes competition to enable customers to realize best value solutions.

2. Deliver and support a productive workplace.

GSA must uphold the public's trust. The personnel within FAS are the foundation of this goal. To achieve public trust, GSA's workforce must be well-trained and well-versed in acquisition policies and procedures and have the taxpayer's interest in mind in all actions taken. Building a strong and effective workforce, by providing employees with the expertise and tools they need to be fully functioning professionals is vital to the success of GSA. To fulfill its long-term goal, ITS will improve the quality of its workforce by providing employee training opportunities, fostering a collaborative teamwork environment, and improving employee engagement and morale.

3. Provide support resulting in cost avoidance and savings to its customers through the use of its acquisition programs.

To accomplish this goal, GSA ITS will continue to develop and implement opportunities to aggregate the purchasing of IT and telecommunications services to drive advantageous pricing and cost savings throughout government. In addition, GSA ITS will continue to identify and use practices that improve efficiency and reduce administrative operating costs.

4. Improve the efficiency of ITS acquisition and support operations.

ITS will improve its operating efficiency by enabling its customers to use innovative technology solutions, while enhancing the acquisition and delivery of services across government. There is a continuing and compelling need to operate more effectively and control costs throughout the government.

Under the FAS reorganization, the ITS Portfolio now includes the Long Distance and Regional Telecom programs for which performance measures were submitted in the past. In order to fully implement the new organizational design, annual performance goals and measures have been established that link to the long-term goals above to track organizational performance. The specific application of these long-term goals to the portfolio is discussed in the performance section of this document.

PART Status – ITS Portfolio

FAS worked jointly with the Office of Management and Budget (OMB) to review the ITS portfolio during the FY 2007 PART cycle. The portfolio as a whole (Network Services, Multiple Award Schedules (MAS), and Government-wide Acquisition Contracts) received a program rating of “Moderately Effective”. This is a significant improvement over the “Results Not Demonstrated” rating the MAS component of ITS received during the FY 2005 PART cycle. The organizational design of FAS has realigned the former MAS program into multiple portfolios and schedules that are now managed as tools to support specific customer needs rather than as a single, stand-alone program. The consolidation of all GSA IT acquisition programs under one portfolio has eliminated prior confusion affecting the industry and GSA customers. FAS is able to manage its programs more efficiently in a complimentary atmosphere and deliver superior solutions to customers from offerings throughout the ITS portfolio.

OMB recommendation: Establish an independent evaluation capability.

GSA Action: An acquisition is now underway to bring in outside expertise to support Portfolio Management within ITS. Tasks to be completed include: (1) Developing a baseline of current ITS programs and initiatives, including contracts, markets, products and services, customers/clients, and including financial analysis for each major program area, (2) Evaluating existing measures and identifying quantifiable value metrics that can provide the consolidated ITS Portfolio with the ability to derive greater value from its programs, that may include service development and design strategies, cost and pricing, and solutions delivery and support.

OMB recommendation: Independently evaluate Portfolio effectiveness.

GSA Action: Outside expertise will be brought in to assess and recommend enhancements to the consolidated ITS Portfolio. Tasks to be completed include: (1) Completing an initial assessment of the ITS Portfolio, identifying improvements, and developing action plans, and (2) continuing to conduct regular, quarterly re-assessments of portions of the Portfolio to identify additional improvement actions and opportunities.

OMB recommendation: Develop measures and metrics and evaluate their effectiveness.

GSA Action: ITS is currently creating its strategic action plans that will outline the strategic goals of the consolidated Portfolio. Measures will be solidified that tie into these goals and help measure the level of effectiveness/improvements made in regards to these goals.

Assisted Acquisition Services Portfolio

The Assisted Acquisition Services (AAS) Portfolio provides expert acquisition, project management, and financial management support services on a fee-for-service basis to assist customers in acquiring both professional services and information technology (IT) solutions at locations worldwide.

The FY 2008 operating plan includes substantial cost reductions for AAS, which are equal to approximately 260 FTE. The reductions are consistent with the lower levels of business activity experienced by AAS over the past four years. These reductions are also required to ensure the program breaks even. Reductions in AAS FTE will be accomplished by increases in other parts of FAS and GSA, as well as through attrition. The current plans specifically exclude buyouts and reductions in-force as methods to reduce FTE in AAS.

The FY 2009 budget anticipates relatively stable business volumes and operating costs. The increases included in the FY 2009 budget are limited to inflation over FY 2008 operating levels.

The AAS portfolio continues to be split between IT and professional services. Previously, this split was required because of the restrictions of the former General Supply Fund and IT Fund. With the creation of the Acquisition Services Fund, this distinction between IT and professional services is no longer required. FAS anticipates combining these subcomponents of AAS over the next two years and has already made considerable progress. Starting in FY 2008 program results are being reported by regional and national operations and no longer differentiate between IT and professional services. This is consistent with legislation, customer needs, and operational efficiency.

The IT Solutions business line provides acquisition, project management, and financial services to assist Federal agencies in identifying, acquiring, deploying, managing, and using technology solutions. The business units within this business line are Regional IT Solutions, which delivers acquisition services locally, within a given geographic region, and National IT Solutions, which provides services to customers on a national and global basis.

The Professional Services business line provides acquisition management, project management, procurement support and financial management services on a cost reimbursable basis, to assist customers in acquiring a broad range of services through Multiple Award Schedules.

Strategic Direction / Value Proposition – AAS Portfolio

The AAS portfolio value proposition to customer agencies is outlined below.

- Achieve client success on projects through excellence in acquisition, project management and financial management.
- Perform efficient and effective acquisitions to attain best value for taxpayer dollars.
- Help FAS deliver a consistently excellent acquisition experience for customers and industry partners across all regions and the national program.
- Recent legislative proposals called for the temporary transfer of 600 contracting personnel to Department of Defense (DoD) to improve contract management there. This implies a continued demand for the services of AAS, and the value of those services.

Business Planning and Direction – AAS Portfolio

AAS will focus on increasing its market share by improving services, providing balanced prices, and providing alternative service delivery models. Service improvements are being made through regional partnerships where regions share best practices and resources to improve the overall service level of the organization. In FY 2007, FAS implemented a nationwide pricing policy for AAS which better aligns fees with the resource requirements to respond to customer orders. AAS is piloting an acquisition consulting model using hourly rates in lieu of a percentage fee based on task order values. This pilot is being conducted in direct response to customer requests for additional service delivery/pricing models. The hourly approach offers a more customized or “a la carte” approach to delivering acquisition service, in lieu of offering full service only. Improving AAS efficiency and effectiveness while aligning resources to customer requirements will be a major focus in both FY 2008 and FY 2009.

Human Capital: In FY 2008 and FY 2009, AAS will face significant human capital management challenges for this portfolio. The AAS operating plan specifically includes the reduction of 260 FTE to align resources with current workload and business activity demands. At the same time, AAS is focusing resources on training remaining personnel, to ensure high quality associates.

Long-Term Outcome Goals – AAS Portfolio

The long-term outcome goal for Assisted Acquisition Services (AAS) is to: (1) become a leading provider of acquisition, technical and project management services to Federal agencies; and (2) simultaneously increase the efficiency and effectiveness of those solutions to achieve customer mission success.

This long-term outcome goal aligns with GSA’s strategic goal for providing best value for customer agencies and taxpayers. Furthermore, this goal aligns with FAS’ strategic mission to provide best value services, products, and solutions to GSA’s customers that increase overall government effectiveness and efficiency.

AAS consists of the former National IT Solutions, Regional IT Solutions, and Professional Services business lines. For performance measure purposes, these programs have been combined and are now tracked at the AAS portfolio level. While the organization continues to work through the transition process, the measure “Number of calendar days from receipt of modification request to issuance of modification for services and commodities” is submitted twice, one for National IT/Professional Services, and one for Regional IT/Professional Services.

The specific application of this long-term goal to the portfolio is discussed in the performance section of this document.

PART Status – AAS Portfolio

During the FY 2007 PART cycle, FAS worked jointly with the Office of Management and Budget (OMB) to review the consolidated AAS portfolio: IT Solutions and Professional Services. The program was given an “Adequate” rating, an improvement from the “Results Not Demonstrated” rating that the IT Solutions business line was given in FY 2004. During the most recent PART cycle, OMB made three recommendations to improve AAS performance:

OMB recommendation: Eliminate design flaws and take additional action to increase the program’s efficiency and effectiveness.

GSA Action: Completion of the FAS reorganization should eliminate identified design flaws and reduce inconsistencies among portfolio subcomponents, which should result in improved efficiency and effectiveness.

OMB recommendation: Ensure resources are aligned to customer requirements and level of business.

GSA Action: The FAS FY 2008 operating plan and FY 2009 budget have included resource realignments to better meet customer requirements and anticipated business levels.

OMB recommendation: Implement nationwide performance standards to improve performance, coordination and oversight of all AAS customer service centers.

GSA Action: In FY 2007, AAS implemented a nationwide pricing policy to ensure consistency and coordination across the regions. Also, GSA is taking steps towards a national AAS profit and loss statement; however performance measures need to be put in place prior to this occurring to ensure accountability. FAS looks forward to developing these measures in FY 2008 as part of an extensive measures review in coordination with the GSA OCFO.

General Supplies and Services Portfolio

The General Supplies and Services (GSS) Portfolio provides customer agencies with a wide range of general products and services including furniture, office supplies and hardware products. This portfolio also provides personal property disposal and non-IT professional services to customer agencies. Consolidation of these functions into one portfolio allows FAS to focus on the acquisition of each product and service type in order to establish a supply chain mechanism that is appropriate for each.

The Global Supply program proactively supports the Federal community by providing mission-critical global supply chain services and access to competitively priced products. Global Supply supports every element of the supply chain including contracting, order processing, warehousing, distribution and transportation of products. These activities are supported through GSA maintained distribution facilities as well as through direct vendor distribution channels.

The Multiple Award Schedule (MAS) program provides direct access to certain vendors' goods and services through contracts established by GSA. The GSS Portfolio contains all FAS schedules except for IT, automotive, travel, and transportation products and services.

The Personal Property Management business line specializes in property reutilization and sales. Property no longer needed by one Federal agency may fill a need in another agency, thereby avoiding new procurements. If no other Federal agency needs this property, the Federal government may donate it through state agencies for surplus property to approved public or non-profit organizations. Personal property items that are not claimed through the utilization and donation process are sold to the public.

The National Furniture Center program provides services that range from the procurement of furniture to the design and build out of work space.

Strategic Direction / Value Proposition – GSS Portfolio

The GSS portfolio value proposition to customer agencies is outlined below.

- Provide supplies and services to support agencies' mission critical requirements, around-the-clock fire/disaster Federal Emergency Management Agency (FEMA) emergency response, and rapid deployment to support the military.
- Maintain integration of GSS' logistics and requisition systems with customers' systems.
- Assist customers in meeting their socioeconomic program goals.
- Support government-wide strategic sourcing by utilizing volume purchasing to reduce cost of goods and provide best value to agency customers.
- Provide expert assistance in acquisition and assist customers in ensuring compliance with Federal Acquisition Regulations (FAR).
- Generate savings through efficient use of government assets and maximize proceeds received from the sale of excess personal property.

Business Planning and Direction – GSS Portfolio

The GSS portfolio will continue to foster its relationship with the Department of Defense (DoD) and will work to adapt Global Supply programs to better fill the needs of DoD. It is essential that Global Supply keep pace with the current transformations taking place in DoD, the largest customer of the Global Supply program. DoD has transformed its acquisition, procurement and logistics business processes and systems into an integrated, end-to-end supply chain that directly supports our troops at home and abroad. Global Supply has established formal partnerships with the Defense Logistics Agency (DLA) to support the full integration of GSA and FAS business processes and to ensure alignment of program strategies and actions.

Global Supply will continue to serve as a key partner and resource for the response of the Federal government to natural disasters, such as wild fires and floods. Global Supply's position as a strategic source ensures timely delivery of products to customers, supporting the protection of lives as well as physical assets to the greatest possible extent. Global Supply will continue to build strategic relationships with customer agencies such as the Federal Emergency Management Agency (FEMA) and support clear lines of communication to ensure prompt delivery of time-critical goods and services. GSA Global Supply offers over 120,000 products including a variety of tools, hardware, from tool kits to electric power tools.

Global Supply will continue to focus on business development as an essential component of its operations. Global Supply will continue an on-going business model review, designed to identify operating efficiencies. One option is to adjust the mix of items stocked in distribution facilities relative to those that can be provided directly from the vendor. Process improvements like these will increase operating efficiency and assist FAS in providing best value solutions to the Federal community.

The Personal Property Management (PPM) program will continue its use of automation to improve program efficiency. PPM has already successfully integrated information technology into its business model with the deployment of GSA Auctions®. GSA Auctions® is expected to generate significant savings annually within the business line through reduced printing, mailing, advertising, and travel expenses. It also enables PPM to realize cost savings by consolidating sales functions. GSA Auctions® has been recommended as a Center of Excellence for the e-Federal Asset Sales initiative, an e-Government initiative to simplify citizen access to all sales of Federal real and personal property assets.

PPM will continue to ensure that field representatives are available and receptive to customer inquiries and customer training needs. PPM will segment the market by customer agency needs to better serve each segment of the market. Additionally, PPM has set an aggressive nationwide schedule for customer outreach to key new customers at national and regional events to promote the benefits of using its exchange/sale and utilization & donation programs. PPM will continue to cultivate a close working relationship with the customer base, leaving GSA well-positioned to address the needs of all customer agencies.

The National Furniture Center (NFC) will work to increase its market share by utilizing new avenues to attract customers and educate the Federal community about buying from GSA. NFC will stay abreast of emerging trends in the furniture industry in order to offer services to customers in new areas. Some examples of emerging trends in the furniture industry include the use of the Packaged Furniture Schedule and the Comprehensive Furniture Management Service Schedule. NFC also is currently working with the Public Building Service (PBS) to form

a strategic partnership to provide for the furniture needs of new and refurbished office space provided to GSA customers.

The National Furniture Center will continue its focus on human capital development and ensure that its Contracting Officers are Clinger-Cohen compliant. NFC will increase training opportunities on new electronic acquisition tools, including e-Offer, e-Mod, and e-Buy, to ensure that NFC personnel provide the highest level of service possible to customers.

Long-Term Outcome Goals – GSS Portfolio

GSA delivers timely, reliable, best-value solutions to customers by maintaining business practices as they are prescribed in the FAR: 1) FAS provides customers with the opportunity to maximize the use of commercial products and services, 2) FAS will not use contractors who have a track record of unsuccessful past performance or who demonstrate an inability to perform; and 3) FAS promotes competition to enable customers to realize best value solutions.

GSA upholds the public trust by operating with integrity, fairness and openness. The personnel within FAS are the foundation of this goal. To achieve public trust, FAS' workforce must be well-trained and well-versed in acquisition policies and procedures and have the taxpayer's interest in mind in all actions taken.

GSA reduces administrative operating costs across the Federal government through efficient operations and by aggregating the purchasing of supplies, services and furniture as well as the disposal of personal property.

The long-term goals of the GSS portfolio reflect the wide variety in this portfolio's customers, customer interfaces, and products and services offered. Although worded differently, the long-term goals of each business line drive the portfolio to provide best-value solutions to customers while upholding the public trust and reducing operating costs. The long-term goals of the GSS portfolio are as follows:

1. Global Supply - Provide supply chain solutions for the global needs of our customers by delivering dependable, reliable and timely supplies at best value.
2. Acquisition Operations - Provide an effective acquisition solution for Federal agencies to acquire commercial products and services.
3. Personal Property Management - Provide optimal property disposal solutions for Federal agencies to maximize cost avoidance (utilization and disposal) while efficiently and effectively managing the exchange/sale of surplus property.
4. National Furniture Center – (a) Satisfy the customer in terms of cost, quality and timeliness of the delivered product or service; (b) Minimize administrative operating expenses; and (c) Conduct business with integrity, fairness and openness.

PART Status – GSS Portfolio

In FY 2007, FAS worked jointly with the Office of Management and Budget (OMB) to review two components of the GSS Portfolio: **Global Supply (Distribution Operations)** and Special Order, and the Multiple Award Schedules (MAS) (now within the **Acquisition Operations** business unit of GSS). The program received an “Adequate” rating, and OMB recommended specific actions to improve program performance. These recommendations and the actions FAS has taken to address them are discussed below.

OMB recommendation: Continue to evaluate the programs to minimize duplication and identify opportunities to increase efficiencies.

GSA action: Global Supply is currently conducting a third-party review of its business model. The results will guide the program going forward to ensure that customer needs and expectations are met through the program’s operations.

The focus of the "customer targeting/partnering strategy" will be to maximize understanding of the GSS portfolio offerings and minimize internal competition within the program areas. Management will also continue to analyze Global Supply's business model and redesign accordingly to allow for reduction in costs and to create efficiencies in the way business is done.

OMB recommendation: Develop and implement independent evaluation processes that assess, on a regular basis, the full scope of this program's activities in carrying out its mission.

GSA Action: In FY 2007, GSA undertook a business model review to evaluate future business model changes. As a result of this review, GSS is considering changes to the distribution operations and its extended direct delivery program. The budget reflects a change in revenue and margin from distribution to extended direct delivery. This action is still under review as we work to ensure appropriate resolution of issues related to small businesses.

OMB recommendation: Continue annual review of performance goals and organizational measures, adjusting strategies and implementing new tactics as appropriate.

GSA Action: In addition to the business model reviews reported above, GSS is working with DoD to ensure logistics and systems integration in the future. Specifically, GSS is modernizing its FEDSTRIP/MILSTRIP systems to remain compatible with upgraded DoD systems, and working on logistics integration efforts to reduce transportation costs.

From a new business perspective, GSS is working with the Marine Corps to become the Marine Corps fourth party logistics provider. Additional resources are included in the FY 2008 and FY 2009 budgets to develop this capability. FAS and the Marine Corps have signed a letter of intent to undertake this effort, and estimated financial results reported here are consistent with the anticipated increase in business activity.

OMB and FAS jointly evaluated the **Personal Property Management** program in the FY 2005 OMB PART review and rated it "Moderately Effective". OMB recommended specific actions to improve the performance of the program. FAS has taken actions to improve program performance; these actions are discussed below.

OMB recommendation: Develop and implement an independent evaluation process that assesses, on a regular basis, the full scope of this program's activities in carry out its mission.

GSA action: The Utilization and Donation program has requested annual, independent review by the GSA Inspector General. The Inspector General has scheduled an entrance briefing for a review of the Utilization and Donation program for Feb 7, 2008.

OMB recommendation: Work with GSA's Office of Governmentwide Policy (OGP) and the National Association of State Agencies for Surplus Property (NASASP) to identify any additional performance measures that should be added to the SASP agreements.

GSA Action: The GSA Legal Counsel reviewed the legality of the proposed action and determined that neither the Federal Acquisition Service nor OGP has the authority to measure the performance of State Agencies for Surplus Property (SASPs), as stated in the recommendation. However, the Personal Property Management program will continue working with OGP within existing authorities to provide sufficient guidance to facilitate SASP performance.

OMB and FAS reviewed the **National Furniture Center (NFC)** in the FY 2006 OMB PART review and rated the program "Moderately Effective". OMB recommended specific actions to improve the performance of the program.

OMB recommendation: Use the NFC's strategic assessment process to define ambitious performance targets that lead to the successful achievement of long term goals.

GSA Action: The program monitors its performance and reassesses its targets annually to ensure achievement of long term goals in adherence with the GSA Chief Financial Officer's Performance Management Process and OMB PART process.

OMB recommendation: Review and streamline operations to increase efficiencies by standardizing internal contracting processes.

GSA Action: The NFC conducted an extensive review of its business practices and has begun implementation of the first phase of a new business model that will streamline operations and achieve greater organizational efficiency. The formation of FAS will support this new business model by helping to standardize processes across the agency.

OMB recommendation: Increase efficiency in assessing customer requirements by finding new avenues to promote NFC products, capture customer buying habits, and enhance customer service.

GSA Action: The NFC actively works with its customers and industry partners to incorporate new and innovative products and services. The program is developing a packaged environment for the products under the recently acquired Sports, Promotional, Outdoor, Recreational, Trophies and Signs (SPORTS) Schedule to provide a total solution for our customers. The NFC is aggressively promoting traditional Special Order Program (SOP) and will also participate in a process improvement study to review how they can better deliver products and services at the NFC while realizing financial solvency.

Travel, Motor Vehicle and Card Services Portfolio

The Travel, Motor Vehicle and Card Services (TMVCS) Portfolio provides customer agencies with a broad scope of services that include travel and relocation services, freight management, motor vehicle acquisition, fleet management and charge card services. Although these programs are unique, they all operate as national programs and conduct highly leveraged buys for government-wide use. All of these programs depend on electronic tools to interact with customers and carry out their missions.

The Vehicle Acquisition and Leasing business line provides two distinct services to the Federal government: Vehicle Acquisition and Vehicle Leasing.

- GSA Automotive (Vehicle Acquisition) manages the acquisition of vehicles for all Federal agencies. GSA Automotive consolidates customer requirements to leverage the government's buying power and achieve significant discounts.
- GSA Fleet (Vehicle Leasing) leases non-tactical vehicles to Federal agencies with a comprehensive "cradle to grave" program. GSA Fleet handles vehicle acquisition, maintenance and repairs, accident management, fuel expenses and resale of used vehicles within its umbrella of services.

The Travel and Transportation business line provides a variety of services. Travel services provided include: access to commercial travel agency and travel consulting services, negotiated airline contracts, travel card services, lodging and employee relocation services. This business line manages the electronic Travel Service (ETS), which is one of the Presidential Management Agenda initiatives for promoting electronic government. Transportation services provided include: express package delivery, freight services and household goods moves to support the relocation of government employees.

The GSA SmartPay® program is the world's largest government charge card program. The program currently provides 350 Federal agencies, organizations, and tribal governments with commercial charge card procurement and payment solutions for making efficient and convenient transactions. Since its inception, the program has grown by over 79% in annual sales and over 62% in the number of annual transactions. The program continues to strive to provide new and innovative products and services to assist agencies and organizations with their missions while providing significant administrative processing cost avoidance through the use of card services as opposed to paper-based payment methods.

Strategic Direction / Value Proposition – TMVCS Portfolio

The TMVCS portfolio value proposition to customer agencies is outlined below.

- Support agency best management practices and accountability.
- Reduce government management, capital expenditure and operating costs.
- Leverage the government's purchasing power and deliver best value goods and services at the best price.
- Deliver fast and easy-to-use services through streamlined processes and provide superior customer service.

- Use customer and internal information to manage processes and programs to support continuous improvement.
- Support the environmental policies of the Administration.

Business Planning and Direction – TMVCS Portfolio

GSA Automotive provides value to customer agencies by consolidating motor vehicle acquisitions across the Federal Government in order to obtain volume discounts. GSA Automotive volume purchases generate discounts exceeding this program's long-term goal of 28 percent. GSA Automotive will increase the use of technology to increase program efficiency and effectiveness. GSA Automotive applies technology primarily through AutoChoice, an on-line ordering module that allows customers to choose and compare vehicle models and contract prices for many vehicle types. Some of the benefits of this system include allowing customers to view base prices as well as prices of equipment options, choose delivering dealers and place orders. AutoChoice calculates the prices for the selected vehicles and provides a price summary. This type of all-inclusive interface that is able to accomplish multiple tasks for customers is an integral part of business processes. Enhancements to the system will only increase the benefits that are realized by customers and will be integral to the success of the program in the future.

GSA Fleet provides value to customer agencies by providing total vehicle management services, customized to customer needs. Customers save money in the form of reduced personnel costs when GSA associates take over the management of the customers' fleet. By shifting management of an agency's fleet to GSA, the customer agency is able to realign its personnel to work on mission critical activities. Savings are also generated through the economies of scale generated by the GSA Fleet program.

GSA Fleet has a critical role in supporting the Federal government's Energy Policy Act (EPACT) and Executive Order 13149, which require Federal Fleets to acquire fuel-efficient and alternative-fuel vehicles (AFVs), and to use alternative fuels. The FY 2007 GSA Fleet inventory consisted of 70,475 AFVs. It is more difficult for individual agencies to meet these environmental requirements because AFVs are more expensive than conventional vehicles and the infrastructure to support these vehicles is not in place throughout the country. GSA Fleet has assisted the government in meeting AFV requirements through leveraged buys of AFVs to reduce the acquisition costs, and financing the cost of the vehicle over the life of the lease. GSA also has concentrated the placement of AFVs to six major markets in an attempt to encourage the development of the infrastructure to support these vehicles in the private sector, through services stations as well as resale markets.

GSA Transportation Management programs will focus on further implementation of the Transportation Management Services Solution (TMSS), a web-based, fully automated, end-to-end system to handle all customers' transportation management needs, from rate and routing through pre-pay audit, payment, post-pay audit and dispute resolution. Within the government, there is considerable fragmentation in the transportation sector. TMSS is a valuable tool to agencies as end-to-end services may be purchased from this system, eliminating the need for independent transportation experts within multiple agencies.

GSA Travel programs leverage the government's purchasing power through strategic sourcing of travel services, including airline and lodging programs, and travel agent and travel consulting services. In FY 2008 and FY 2009, GSA Travel will focus on continuing the full deployment of

the e-Gov Travel System (ETS), one of the electronic government initiatives of the President's Management Agenda. ETS gives Federal travelers the ability to manage their travel through a common, web-based system that integrates all aspects of individual travel: travel planning and cost estimating, travel authorization, reservations, fulfillment services, vouchering, reimbursement and reporting. ETS allows Federal travelers and travel managers to operate more efficiently by eliminating manual processes, improving the accuracy of information, and simplifying authorization and approval procedures. Government travel budgeting, financing and accounting activities will be more consistent and accurate when agencies fully implement ETS. GSA Travel will ensure that ETS is the best value solution for customer agencies and all travel programs are provided in such a way that the services provided complement each other.

GSA Travel will continue to offer the Travel Services Solutions (TSS) Schedule, a comprehensive contracting vehicle that encompasses a variety of distinct commercial travel services in support of the government's travel needs. This schedule includes, but is not limited to, travel agent services and travel consultants. Through the TSS Schedule, GSA Travel provides the Federal government with flexible, streamlined acquisition tools to meet its travel needs, obtain quality services at the best value, reduce acquisition time and cost, meet regulatory requirements, and achieve socio-economic goals.

The GSA Card Services program, SmartPay®, will place a stronger emphasis on customer service to enhance the program's value proposition to customer agencies. Card Services will concentrate on managing transaction data to assist customer agencies in reporting and reducing fraud, waste and abuse of charge cards. Card Services will update training of customer agencies to ensure that card usage is consistent with the most recent policies and guidance for card services programs. Approximately 98 million transactions valued at \$26 billion flow through the with SmartPay® program annually.

The TMVCS Portfolio is anticipating a negative net operating result in FY 2008 and FY 2009 as a result of a temporary surge in cost for the SmartPay® program as it transitions customer agencies to its new contract. Additionally, ETS is anticipated to continue to operate at a loss in FY 2008 and FY 2009 as the revenue generated by the program is not expected to cover total operating costs. These cost drivers were also present in FY 2007; however, the GSA Fleet and Automotive programs' positive financial results were sufficient to cover the losses of these programs in that year.

Long-Term Outcome Goals – TMVCS Portfolio

The long-term goals of the TMVCS portfolio reflect the portfolio's primary purpose of aggregating administrative activities across the Federal government in order to obtain bulk discounts and to reduce operating costs government-wide. Although worded differently, the long-term goals of each business line all drive the portfolio to provide best value products and services to customers while maintaining high standards of customer satisfaction and reducing operating costs.

GSA delivers best value products and services to customers by aggregating purchases across all Federal agencies in order to obtain bulk discounts and by using its unique acquisition expertise to negotiate with vendors.

GSA maintains high levels of customer satisfaction by providing timely, relevant, and best-value products to its customers.

GSA reduces administrative operating costs across the Federal government through efficient operations and by relieving the government of the costs of duplicating independent, in-house acquisition and management services in multiple Federal agencies.

The long-term goals of the TMVCS portfolio are as follows:

1. GSA Fleet - Continue to achieve leasing rates to customer agencies that offer 20% or more savings when compared to commercial rates.
2. Vehicle Acquisition - Achieve acquisition cost savings for customer agencies by providing vehicles at 28% or more below manufacturers' invoice price.
3. GSA Travel - Provide an end-to-end, fully integrated travel management shared service that is: (a) Policy compliant, cost-effective, and customer focused, (b) An enabler for agencies to better manage their individual travel businesses, and (c) Fulfills agency needs while delivering the best value to agencies (at discounts unattainable by individual agencies) by leveraging the government's purchasing power via strategic sourcing.
4. GSA Transportation - Provide end-to-end, fully integrated management system/solutions to increase value for agency customers.
5. GSA Card Services (SmartPay®): (a) Satisfy the customer in terms of cost, quality and timeliness of the delivered product or service; and (b) minimize administrative operating expenses.

PART Status – TMVCS Portfolio

FAS (and its predecessor organizations) have worked jointly with the Office of Management and Budget (OMB) to review five components of the TMVCS portfolio: Vehicle Leasing, Vehicle Acquisition, GSA Travel, GSA Transportation Management, and Card Services (SmartPay®).

OMB and FAS reviewed the **Vehicle Leasing** program during the FY 2004 PART cycle and rated the program "Moderately Effective". OMB recommended specific actions to improve the performance of the program. GSA has taken actions to improve program performance as discussed below.

OMB recommendation: More aggressively pursue the marketing of unbundled fleet management services to Federal agencies

GSA action: GSA Fleet hired an outside contractor to ensure a consistent message was being communicated to all GSA Fleet associates as well as customer agencies regarding the full line of unbundled fleet services. Beginning in FY 2006, GSA Fleet offered a vehicle monitoring product as an unbundled service; customers ordered over 1,000 units in FY 2006 and over 2,000 units in FY 2007 as part of this new offering. GSA Fleet also provided 397 vehicles to our customers through the short term rental program.

OMB recommendation: Use GSA's performance management process to improve the linkages between program performance and funding needs.

GSA action: GSA Fleet continues to work with the FAS Office of the Controller in the formulation of its operating budget on an ongoing basis. Fleet also works with the Controller's Office in completing the requirements of the GSA CFO's Performance Management Process including the completion of the program's Strategic Assessment and Strategy and Action Plan all which are building blocks for the service wide external budget submission.

OMB recommendation: Commission regular, independent, outside evaluations of this program that would assess the performance of the various components of the program (e.g. maintenance management, accident control, management reporting, etc.) as well as overall performance against commercial and other fleet service providers.

GSA action: GSA Fleet has requested the GSA Inspector General (IG) perform an independent evaluation of Fleet's cross-service fuel certification and payment policies and procedures to validate the business processes. The IG also is currently conducting a review of the controls placed on the Fleet Services Card. The goal of this audit is to check for consistency across regional loss prevention detection programs.

OMB and FAS reviewed the **Vehicle Acquisition** program during the FY 2004 PART cycle and rated the program "Adequate". OMB recommended specific actions to improve the performance of the program. GSA has taken action to improve program performance as discussed below.

OMB recommendation: Define the relationship between resource levels and performance results.

OMB recommendation: Annually reassess targets for performance measures where actual results indicate that more aggressive targets are appropriate.

GSA action: GSA Automotive monitors and updates performance measures quarterly or as required. Strategic Assessment and Strategy Action Plans for the program are evaluated and updated annually. Long-term strategic goals, annual performance goals, and performance measures were initially developed for inclusion in the FY2006 Congressional Justification and have been updated annually, as a part of the GSA Performance Management Process.

OMB recommendation: Commission regular, independent outside evaluations of the program that assess its performance against commercial and other vehicle fleet acquisition programs.

GSA action: GSA has not commissioned any outside evaluations of the Automotive program. GSA must balance the need for routine, independent operational reviews with the pressure to minimize operating costs, which are passed on to customer agencies through fees charged. GSA has prioritized PART recommendations and taken action to address those recommendations that will produce the greatest benefit for the cost incurred.

GSA Automotive is not a high-priority candidate for independent evaluation because it is a relatively low-cost program -- operating expenses are just \$12 million annually -- with performance against commercial benchmarks that routinely exceeds program goals. For example, the average discount realized by GSA for the seven top selling vehicles was 32% below the manufacturers' invoice prices in FY 2007, compared to a goal of 28.5%.

GSA regularly monitors performance of the Automotive program against commercial benchmarks, and will reassess the need for independent evaluations if program performance warrants.

OMB and FAS reviewed **GSA Travel** programs during the FY 2005 OMB PART cycle and rated the programs "Results Not Demonstrated". GSA initiated a number of program improvements, and OMB improved the program's rating to "Adequate" when it reassessed the program during the FY 2006 PART cycle. OMB recommended the following new actions to further improve program performance.

OMB recommendation: Reorganize GSA's travel operational programs so that they are accountable to a single manager with responsibility only for the full range of those programs, including responsibility for determining the requirements of the various travel contracts.

GSA action: All travel operational programs are accountable to a single manager with responsibility for those programs, including responsibility for determining the requirements of the various travel contracts.

OMB recommendation: Modify GSA's government-wide travel and charge card contracts, as needed, to obtain the data necessary for the Office of Management and Budget (OMB) and the Office of Governmentwide Policy (OGP) to provide proper oversight of agency travel activities and spending.

GSA Action: The reporting requirements for OGP have been validated and finalized. Current contracts provide the bulk of the data requirements, with the exception of relocation activities. The Travel Management Information Service contract was awarded to TRX in the second quarter of FY 07 to aggregate the data from travel operational program contractors and other sources. FAS anticipates receiving data from the vendor in the fourth quarter of FY 2008.

OMB recommendation: Develop best value and efficiency measures for each of the travel services offered by GSA.

GSA Action: GSA Travel performance measures are monitored and updated regularly as established measures and initiatives require change. Annually, the Travel program participates in GSA's PMP cycle to include a strategic assessment and strategy and action plan (SAP). The SAP is evaluated and updated annually and incorporates key performance measures that are aligned with current initiatives and GSA/FAS strategic objectives.

OMB recommendation: Implement a process for obtaining an external independent evaluation of GSA's travel operational programs on a regular basis.

GSA Action: In 2006, the GSA Inspector General conducted an effectiveness audit on the e-Gov Travel Service (ETS) Program Management Office (PMO). In 2007, it conducted an audit of FedRooms. Previously, in 2005, an independent third party conducted an audit of City Pair Program (CPP). This rotation will be maintained for travel operational programs.

OMB recommendation: Develop a formal governance mechanism to assure that travel operations and services offered by FAS and travel policies set up by OGP are mutually supportive.

GSA Action: A Travel Policy Executive Steering Committee was established by OGP and is co-chaired by FAS and OGP. This Committee assures that travel operations and services offered by FAS and travel policies set up by OGP are mutually supportive.

OMB and FAS reviewed **GSA Transportation Management** programs during the FY 2005 OMB PART cycle and rated the program "Results Not Demonstrated". GSA implemented a number of program improvements, and OMB improved the program's rating to "Moderately Effective" when it reassessed the program during the FY 2006 PART cycle. OMB recommended the following new actions to further improve program performance.

OMB recommendation: Reorganize GSA's transportation operational programs, including all related schedules, so that they are accountable to a single manager with responsibility only for the full range of those programs, including responsibility for determining the requirements.

GSA Action: The implementation of the FAS organization design addresses this action item as business functions are aligned within portfolios based on the good or service being delivered to customers. Under the new organization, all travel and transportation, charge card, and automotive acquisition support functions are consolidated under a single manager within the TMVCS portfolio.

OMB recommendation: Implement a process for obtaining an external, independent evaluation of GSA's transportation operational programs on a regular basis.

GSA Action: An outside consultant conducted an independent review of the household goods program, Centralized Household Goods Traffic Management Program (CHAMP), in the first quarter of FY 2006. The GSA IG completed a review of the Freight Management Program (FMP) in the third quarter of FY 2007. Transportation has contracted with a vendor to provide annual independent evaluations of GSA's transportation operational programs through FY 2011. During fourth quarter FY 2007, the contractor performed an independent evaluation of CHAMP's and FMP's effectiveness, benchmarked against commercial rates,

and recommended program improvements. The results of both studies showed that both programs are effective and are providing savings to the Federal government. Recommendations were made to enhance program effectiveness, and GSA will thoroughly assess the recommendations and implement as required.

OMB recommendation: Develop a formal governance mechanism to assure that transportation operations and services offered by the Federal Acquisition Service and the transportation policies set by the Office of Government-wide Policy are mutually supportive.

GSA Action: Establishment of a governance model and Executive Committee Membership will follow the implementation of the transportation management organization within the Federal Acquisition Service.

OMB recommendation: Modify all GSA government-wide contracts under which transportation services can be obtained to obtain the data necessary for OMB and OGP to provide proper oversight of agency transportation activities and spending.

GSA Action: A refreshed Schedule was completed in November to include basic reporting requirements. The schedule was again refreshed in June to include new services and Special Item Number (SINs). All contracts have been modified to incorporate new reporting requirements and the GRAB draft data elements. Another refresh to Schedule 48 solicitation is expected in FY08 which will incorporate the final data elements approved by the Executive Relocation Steering Committee (ERSC). The ERSC will define additional reporting requirements, thus dates offered are tentative until ERSC completes this task.

FAS and OMB reviewed the **Card Services (SmartPay®)** program for the first time during the FY 2006 OMB PART cycle and rated the program "Effective". OMB recommended the following actions to improve program performance.

OMB recommendation: Continue to train customers in the proper use of the charge card and in the effective use of the program management tools and controls provided by GSA SmartPay®.

GSA Action: GSA included additional resources in the FY 2008 and FY 2009 budget to address transition to the new contract, improve service, and provide additional program management tools.

OMB recommendation: Work with the banks that provide charge card services to ensure that agencies are provided data on card purchases in a timely manner.

GSA Action: GSA plans to establish a method to track the flow of data requests to banks and document this process.

THIS PAGE INTENTIONALLY LEFT BLANK

U.S. General Services Administration

ACQUISITION SERVICES FUND

Fiscal Year 2009 Program Performance

CONTENTS

Performance Goals, Measures and Targets.....	2
Program Assessment Rating Tool (PART) Reviews	10
Integrated Technology Services	12
Assisted Acquisition Services.....	16
GSS Portfolio: Global Supply program	20
GSS Portfolio: Acquisition Operations program	24
GSS Portfolio: Personal Property Management program.....	28
GSS Portfolio: National Furniture Center program	32
TMVCS Portfolio: GSA Fleet program.....	36
TMVCS Portfolio: Vehicle Acquisition program	40
TMVCS Portfolio: GSA Travel programs	44
TMVCS Portfolio: GSA Transportation programs.....	50
TMVCS Portfolio: GSA Card Services (SmartPay®) Program	54

Performance Goals, Measures and Targets

The following tables provide a summary of the long-term goals and measures of the FAS Portfolios. These goals and measures are discussed within each portfolio's performance section following the below tables.

Information Technology Services (ITS) Portfolio

PART Program	Long-term Goal	FY 2009 Performance Goal	Performance Measure	FY 2007 Actual	FY 2008 Target	FY 2009 Target
Information Technology Services (ITS)	Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and Professional Services.	Meet customer's expectation of timeliness.	IT Acquisition Center cycle time to process offers	118.8	115	114
			IT Acquisition Center cycle time to process modifications	20.1	23	22
		Increase ITS overall customer satisfaction index score across its Portfolio	External customer satisfaction ITS (IT Acquisition center)	67.7	76.3	77.6
	Provide support resulting in cost avoidance and savings for each program	Increase cost avoidance/savings to ITS customers	Cost avoidance/savings achieved by ITS Portfolio programs.	\$766 M	\$743 M	\$755 M
	Improve the efficiency of ITS acquisition and support operations	Align program operations to support efficiency of operations and reduce operating costs.	ITS direct cost for all programs as a percentage of ITS gross margin	33.36%	36%	35.5%

Assisted Acquisition Services (AAS) Portfolio

PART Program	Long-term Goal	FY 2009 Performance Goal	Performance Measure	FY 2007 Actual	FY 2008 Target	FY 2009 Target
Assisted Acquisition Services (AAS)	Become a leading provider of acquisition, technical and project management services to Federal agencies; and simultaneously increase the efficiency and effectiveness of those solutions to achieve customer mission success.	Increase the Assisted Acquisition Service's customer satisfaction results.	Percent of satisfied customers (ACSI survey)	73.5	75.0	80.0
		Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.	Percentage of negotiated award dates for services and commodities that are met or bettered.	68.7%	97%	97%
		Decrease the time it takes to process contract modifications for services and commodities.	(Regional IT/PS)	14	55	50
			(National IT/PS)	30	40	35
		To the extent possible, ensure maximum competition on task orders to obtain best value for Federal agencies for the taxpayer.	Percentage of new task orders subject to competition/fair opportunity.	92.7%	96%	96%
		Improve the financial condition of the Fund.	Direct costs as a percentage of gross margin.	73%	77%	75%

General Supplies and Services (GSS) Portfolio

PART Program	Long-term Goal	FY 2009 Performance Goal	Performance Measure	FY 2007 Actual	FY 2008 Target	FY 2009 Target
Global Supply (Distribution Operations)	Provide supply chain solutions for the global needs of our customers (in Departments of Defense, Homeland Security, Agriculture and others) by delivering dependable, reliable and timely supplies at best value.	Reduce Supply blended mark-up from 31% to 29% - toward goal of 28%.	Blended mark-up (Global Supply)	31.8%	30.0%	29.5%
		Achieve timely delivery for all customer non-hazardous orders	Percentage of domestic, non-hazardous orders shipped within 24 hours (Global Supply)	80.5%	85.0%	86.0%
		Increase program efficiency and value to Global Supply customers by minimizing program operating costs	Direct costs as percentage of revenue (Global Supply)	10.1%	10.4%	10.2%
		Increase customer satisfaction	External customer satisfaction (Global Supply)	80.9	80.5	80.6
GSS Acquisition Operations	Provide an effective acquisition solution for Federal agencies to acquire commercial products and services.	Increase customer satisfaction	External customer satisfaction (Multiple Awards Schedules)	71.9	73.8	74
		Increase program efficiency and value to its customers by minimizing program operating costs	Direct Costs as a percent of gross margin (Multiple Awards Schedules)	23.6%	25%	24.9%
		Decrease the cycle time to process offers from vendors	Cycle time (days) to process offers from vendors (Multiple Award Schedule)	72.3	79	78
		Decrease the cycle time to process modifications	Cycle time (days) to process contract modifications (Multiple Award Schedules)	16.1	17.5	17.0

*U.S. General Services Administration
Acquisition Services Fund*

PART Program	Long-term Goal	FY 2009 Performance Goal	Performance Measure	FY 2007 Actual	FY 2008 Target	FY 2009 Target
Personal Property	Provide optimal property disposal solutions for Federal agencies to maximize cost avoidance, while efficiently and effectively managing the exchange/sale of surplus property.	Decrease the time it takes to complete disposal action for excess property to 54 days by FY2009.	Cycle time for disposal process (days)	49	55	54
		Maintain a customer satisfaction score higher than the Federal Government American Customer Satisfaction Index (ACSI) reflecting customer satisfaction in Government in FY 2007 and each year thereafter.	External customer satisfaction survey score	75.1	75.6	75.6
		Align program operating costs relative to revenue generated by the Sales Program, and strive to maximize the return on these resources.	Operating cost per \$100 business volume	\$8.10	\$21.00	\$21.00
			Direct cost of Sales Program as a percent of revenue	20%	44%	44%

General Supplies and Services (GSS) Portfolio

PART Program	Long-term Goal	FY 2009 Performance Goal	Performance Measure	FY 2007 Actual	FY 2008 Target	FY 2009 Target
National Furniture Center	Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service	Reduce cycle time to award new contracts and modify existing contracts.	Timeliness to award new contracts (days).	71.1	70	69
			Timeliness to award contract modifications to add products and services (days)	9.8	9.5	9.25
		Increase the percentage of projects where cost and Procurement Administrative Lead Time (PALT) schedule variances are within +10% of the approved project plan for projects over \$5,000,000	Percentage of projects where cost and Procurement Administrative Lead Time (PALT) schedule variances are within 10% of the approved project plan for projects over \$5,000,000.	100%	100%	100%
	Minimize administrative operating costs	Align program operations to support efficiency of operations and reduce operating costs.	Direct operating expenses as a percentage of gross margin	42.08%	41.5%	40.97%
			Ratio of full-time equivalents (FTE) to business volume	0.00000 42%	0.00000 39%	0.00000 38%
	Conduct business with integrity, fairness and openness	Enable customers to capitalize on cost savings and improved services by ensuring fair and equal competition throughout the vendor community.	Number of schedule task orders solicited using GSA e-Buy	12,438	13,000	13,500

Travel, Motor Vehicle and Card Services (TMVCS) Portfolio

PART Program	Long-term Goal	FY 2009 Performance Goal	Performance Measure	FY 2007 Actual	FY 2008 Target	FY 2009 Target
Fleet	Achieve leasing rates to customer agencies that are 20% or more below industry.	Maintain the gap between GSA Fleet rates and commercial rates at 20% or more	Percentage of GSA Fleet leasing rates below commercial rates on the GSA Vehicle Leasing Schedule	42.38%	29.50%	29.75%
			Program support and operating expense per vehicle year of operation	\$487.84	\$495	\$490
		Maintain the Vehicle Leasing program's current level of world-class customer satisfaction in government.	GSA Fleet external customer satisfaction survey score	84.9	83.2	83.4
		Aggressively pursue consolidation opportunities to reduce overall government expenses.	Number of vehicles managed per on board	355	345	350
Vehicle Acquisition	Achieve acquisition cost savings for customer agencies by providing vehicles at 20% or more below manufacturers' invoice price.	Maintain 28% or better discount from manufacturer's invoice price	Percentage discount from invoice price	32%	>28.7%	>28.9%
		Manage program resources to meet its future needs while maximizing program efficiency	Number of vehicles purchased per FTE	1,845	1,320	1,330
		Increase customer satisfaction	GSA Automotive external customer satisfaction survey score	78.6	80.1	80.2

Travel, Motor Vehicle and Card Services (TMVCS) Portfolio

PART Program	Long-term Goal	FY 2009 Performance Goal	Performance Measure	FY 2007 Actual	FY 2008 Target	FY 2009 Target
Travel	Provide an end-to-end and fully integrated travel management shared service that is: Policy compliant, cost-effective, and customer focused; An enabler for agencies to better manage their individual travel businesses; Fulfilling agency needs as well as delivering the best value to agencies (at discounts unattainable by individual agencies) by leveraging the government's purchasing power via strategic sourcing.	Reduce program operating costs	Direct costs as a percentage of revenue	54.3%	62.0%	61.0%
		Increase customer satisfaction	External customer satisfaction score	63.2	75.6	75.8
		Provide compliant, consolidated and fully integrated end-to-end travel service government-wide	Percentage of BRM agencies migrating to ETS	75%	100%	100%
			Percentage of vouchers serviced through the ETS	18.8%	30.7%	59.2%
		Provide programs that enable customer agencies to realize discounts off of commercially available rates	FedRooms percentage off consortia rate	28%	27%	26%
			City Pair Program percentage off the lowest published full economy fare.	67%	66%	66%
Transportation	Provide an end-to-end fully integrated management system/solutions to increase value for agency customers	Increase customer satisfaction	External customer satisfaction score	76	77.5	77.6
		Reduce program operating costs	Direct costs as a percentage of gross margin	41.4%	47%	46.5%
		Maximize customer savings through the use of GSA Transportation programs	Freight savings	25%	25.5%	26%
			Household Goods savings	6%	6.5%	7%
			Express and Ground Domestic Delivery Services Savings - FSSI	62.2%	62.4%	62.6%

*U.S. General Services Administration
Acquisition Services Fund*

PART Program	Long-term Goal	FY 2009 Performance Goal	Performance Measure	FY 2007 Actual	FY 2008 Target	FY 2009 Target
Transportation Audits	Provide an end-to-end fully integrated management system/solutions to increase value for agency customers.	By FY 07, as part of overall automation and streamlining of transportation processes, attain and sustain percentage of electronic audits at 95% gradually increasing to 98%	Percent of audits performed	95.9%	97.0%	97.0%
			Percent of claims processed within 120 days	75%	77%	79%
Card Services	Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.	Provide quality services to our customers as determined by satisfaction scores.	Overall customer satisfaction of GSA SmartPay® Program.	75.8	65	70
			GSA SmartPay® Conference satisfaction as determined by attendee survey results.	91.4%	93.5%	94.0%
		Provide timely information to customers as requested to meet their needs.	Timeliness of report submission.	89.1	>=90%	>=95%
		Maximize program-operating efficiency.	Government-wide spend per GSA SmartPay® contract administration FTE.	\$5.44 Billion	\$5.11 Billion	\$5.14 Billion

Program Assessment Rating Tool (PART) Reviews

From FY 2002 through FY 2007, FAS analyzed operations within the four FAS portfolios through a joint effort with the Office of Management and Budget (OMB). FAS and OMB use the PART process to find ways to improve program effectiveness and accountability. This was achieved through the following reviews: AAS Portfolio, ITS Portfolio, GSS Supply Operations, GSS Acquisition Operations, GSS National Furniture Center, GSS Personal Property, TMVCS GSA Fleet, TMVCS GSA Automotive, TMVCS GSA Transportation Programs, TMVCS GSA Travel Programs, and TMVCS GSA Card Services (SmartPay®). The table below summarizes the total costs incurred by each program to deliver the respective goods and services to customers including all operating expenses, Cost of Goods Sold (COGS) and reserve expenses.

PART Funding Summary Table
(Dollars in Thousands)

Portfolio	Program	FY 2007 Actual	FY 2008 Current	FY 2009 Request
Integrated Technology Services (ITS)	Integrated Technology Services	\$1,194,343	\$1,269,714	\$1,282,597
Assisted Acquisition Services (AAS)	Assisted Acquisition Services	\$3,774,157	\$3,796,117	\$3,895,466
General Supplies and Services (GSS)	Supply Depots and Special Order	\$1,067,329	\$1,096,868	\$1,095,983
	Acquisition Operations	\$107,008	\$99,486	\$100,256
	Personal Property Management Program	\$29,642	\$39,165	\$40,093
	National Furniture Center	\$160,496	\$123,834	\$126,369
Travel, Motor Vehicle, and Card Services (TMVCS)	Vehicle Acquisition	\$1,346,888	\$1,359,804	\$1,380,128
	Vehicle Leasing	\$1,042,097	\$1,097,309	\$1,121,601
	GSA Travel Programs	\$15,642	\$20,484	\$20,581
	GSA Transportation Programs	\$18,190	\$21,219	\$21,219
	Card Service Program	\$10,149	\$9,919	\$10,114
Total		\$8,765,941	\$8,933,919	\$9,094,407

THIS PAGE INTENTIONALLY LEFT BLANK

Integrated Technology Services

Long-Term Outcome Goal: Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and Professional Services.

Performance Goal: Meet customer's expectation of timeliness.

Performance Measure: Cycle time to process offers and modifications; and cycle time to modify and award contracts.

FAS is committed to meeting customer's expectation by providing quality, cost effective timely delivery of products and services. This is demonstrated by minimizing time to process offers, modifications and award contracts. FY 2007 performance results to process offers were above target and FY 2006 results due to personnel turnover and a transfer of workload as a result of implementing the FAS organization design. The program is working to implement best practices for process improvement, and expects FY 08 cycle time to improve.

IT Acquisition Center Cycle Time to process offers (days)

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
117.8	118.8	115	114
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
113	112	111	110

IT Acquisition Center Cycle Time to process modifications (days)

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
25.2	20.1	23	22
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
21	20	19	18

Performance Goal: Increase ITS overall customer satisfaction index score across its Portfolio.

Performance Measure: External customer satisfaction ITS (IT Acquisition Center)

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. FAS regularly surveys clients in order to ensure ITS is meeting customer needs. The FY 2007 customer satisfaction survey identified Information/Communication as the most significant driver of customer satisfaction results. Specifically, ease of use of the program was identified as a top priority for improving customer satisfaction. The IT Center is working on decision tools to improve ease of use in the future.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
73	67.7*	76.3	77.6
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
78.9	80	80.5	81

Long-Term Outcome Goal: Provide support resulting in cost avoidance and savings for each program.

Performance Goal: Increase cost avoidance/savings to ITS customers.

Performance Measure: Cost avoidance/savings achieved by ITS Portfolio programs.

FAS is committed to passing cost savings on to customers. FAS monitors its performance of cost avoidance/savings by comparing GSA cost to commercial industry.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
\$720 M	\$766 M	\$743 M	\$755 M
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
\$778 M	\$792 M	\$800 M	\$808 M

Long-Term Outcome Goal: Improve the efficiency of ITS acquisition and support operations.

Performance Goal: Align program operations to support efficiency of operations and reduce operating costs.

Performance Measure: ITS direct costs for all programs as a percentage of ITS gross margin

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages operating costs of the ITS by tracking the ratio of operating expenses to gross margin

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
31.58%	33.36%	36%	35.5%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
35%	34.5%	34%	33.5%

INFORMATION TECHNOLOGY SERVICES

(Dollars in Thousands)

Long Term Outcome Goal

Performance Goals	Performance Measure
-------------------	---------------------

Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and Professional Services

Meet customer's expectation of timeliness	IT Acquisition Center Cycle time to process offers (days)
	IT Acquisition Center Cycle time to process modifications (days)
Increase ITS overall customer satisfaction index score across its Portfolio	External Customer Satisfaction ITS (IT Acquisition Center)

Provide support resulting in cost avoidance and savings for each program

Increase cost avoidance/savings to ITS customers	Cost avoidance/savings achieved by ITS Portfolio programs
--	---

Improve the efficiency of ITS acquisition and support operations

Align program operations to support efficiency of operations and reduce operating costs	ITS direct costs for all programs as a percentage of ITS gross margin
---	---

ASF Allocated Costs
 Portfolio Share of Other Costs of Operations
 Portfolio Share of GSA Corporate Expenses

Total

U.S. General Services Administration
Acquisition Services Fund

FY 2007 Actual		FY 2008 Current		FY 2009 Request		Change FY08 to FY09	
Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
118.8	\$ 18,887	115	\$ 22,100	114	\$ 22,507	-1	\$ 407
20.1	\$ 18,887	23	\$ 22,100	22	\$ 22,507	-1	\$ 407
67.7	\$ 71,794	76.3	\$ 88,399	77.6	\$ 90,025	1.3	\$ 1,626
\$766 M	\$ 17,897	\$743 M	\$ 22,100	\$755 M	\$ 22,507	\$12 M	\$ 407
33.36%	\$ 40,042	36%	\$ 44,200	35.5%	\$ 45,013	-0.5%	\$ 813
	\$ 167,507		\$ 198,899		\$ 202,559		\$ 3,660
	\$ 8,500		\$ 14,430		\$ 14,777		\$ 347
	\$ 35,985		\$ 43,726		\$ 44,775		\$ 1,049
	\$ 211,992		\$ 257,055		\$ 262,111		\$ 5,056

Assisted Acquisition Services

Long-Term Outcome Goal: Become a leading provider of acquisition, technical and project management services to Federal agencies; and simultaneously increase the efficiency and effectiveness of those solutions to achieve customer mission success.

Performance Goal: Increase the Assisted Acquisition Service's customer satisfaction results.

Performance Measure: Percent of satisfied customers (ACSI survey)

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. External customer satisfaction surveys are a valuable barometer of how well the program is doing at meeting customer needs.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
N/A	73.5	75.0	80.0
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
85.0	85.0	85.0	85.0

Performance Goal: Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.

Performance Measure: Percentage of negotiated award dates for services and commodities that are met or bettered.

FAS is determined to minimize time-to-award for all customers. FAS ensures timely delivery of acquisition services by comparing actual task order award dates for products and services against award dates that are negotiated with customers. The FY 2006 actual is associated only with the legacy Regional IT Services business line. The out-year targets apply to the entire AAS portfolio.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
92.3%	68.7%	97%	97%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
97%	97%	97%	>97%

Performance Goal: Decrease the number of days it takes to process contract modifications for services and commodities.

Performance Measure: Number of calendar days from receipt of modification request to issuance of modification for services and commodities (Regional IT/PS).

FAS is determined to minimize time-to-award for all customers. FAS ensures timely delivery of acquisition services and commodities by tracking the average number of days required to award new contracts. Given the significant change in the AAS business environment, FAS is evaluating FY 2007 results and out-year targets to develop an appropriate level of anticipated performance, this review will occur during FY 2008. The lower than anticipated cycle time

realized in FY 2007 is the result of decreased business volumes in FY 2007 which enabled AAS to issue modifications more quickly overall.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
N/A	14	55	50
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
45	40	35	30

Performance Measure: Number of calendar days from receipt of modification request to issuance of modification for services and commodities (National IT/PS).

FAS is determined to minimize time-to-award for all customers. FAS ensures timely delivery of acquisition services and commodities by tracking the average number of days required to award new contracts

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
N/A	30	40	35
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
30	25	20	19

Performance Goal: To the extent possible, ensure maximum competition on task orders to obtain best value for Federal agencies for the taxpayer.

Performance Measure: Percentage of task new orders subject to competition/fair opportunity process.

FAS is committed to fostering fair and equal competition. Progress is tracked by measuring the proportion of orders where all contract holders were afforded an opportunity to be considered for an award, as a percentage of total orders.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
92%	92.7%	96%	96%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
97%	97%	98%	98%

Performance Goal: Improve the financial condition of the Fund.

Performance Measure: Direct costs as a percentage of gross margin.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages the costs of providing assisted acquisition services to Federal agencies by tracking the ratio of direct costs to gross margin.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
80.3%	73%	77%	75%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
73%	71%	69%	67%

ASSISTED ACQUISITION SERVICES

(Dollars in Thousands)

Long Term Outcome Goal

Performance Goals	Performance Measure
-------------------	---------------------

To become a leading provider of acquisition, technical and project management services to Federal agencies; and simultaneously increase the efficiency and effectiveness of those solutions to achieve customer mission success.

Increase the Assisted Acquisition Service's customer satisfaction results.	Percent of satisfied customers (ACSI survey)
Improve performance against business performance metrics, including timeliness, cost effectiveness, and efficiency to verify best value and effective acquisition management are achieved.	Percentage of negotiated award dates for services and commodities that are met or bettered.
Decrease the number of days it takes to process contract modifications for services and commodities.	Number of calendar days from receipt of modification request to issuance of modification for services and commodities. (Regional IT/PS)
	Number of calendar days from receipt of modification request to issuance of modification for services and commodities. (National IT/PS)
To the extent possible, ensure maximum competition on task orders to obtain best value for Federal agencies for the taxpayer.	Percentage of new task orders subject to competition/fair opportunity
Improve the financial condition of the Fund	Direct costs as a percentage of gross margin.

ASF Allocated Costs
 Portfolio Share of Other Costs of Operations
 Portfolio Share of GSA Corporate Expenses

Total

U.S. General Services Administration
Acquisition Services Fund

FY 2007 Actual		FY 2008 Current		FY 2009 Request		Change FY08 to FY09	
Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
73.5	\$ 31,684	75.0	\$ 23,267	80.0	\$ 23,950	5.0	\$ 683
68.7%	\$ 37,702	97%	\$ 27,920	97%	\$ 28,401	0.0%	\$ 481
14	\$ 6,444	55	\$ 4,654	50	\$ 4,734	-5.0	\$ 80
30	\$ 6,444	40	\$ 4,654	35	\$ 4,734	-5.0	\$ 80
92.7%	\$ 25,306	96%	\$ 18,613	96%	\$ 18,934	0.0%	\$ 321
73%	\$ 19,968	77%	\$ 13,960	75%	\$ 14,200	-2.0%	\$ 240
	\$ 127,548		\$ 93,068		\$ 94,953		\$ 1,885
	\$ 5,152		\$ 4,577		\$ 4,687		\$ 110
	\$ 29,145		\$ 23,111		\$ 23,666		\$ 555
	\$ 161,845		\$ 120,756		\$ 123,306		\$ 2,550

GSS Portfolio: Global Supply program

Long-Term Outcome Goal: Provide supply chain solutions for the global needs of our customers by delivering dependable, reliable and timely supplies at best value.

Performance Goal: Reduce Supply blended mark-up from 31% to 29% toward goal of 28%.

Performance Measure: Blended mark-up (Global Supply)

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages operating costs of Global Supply by tracking the difference between the price paid by GSA and the price charged to customer agencies for products provided (the “mark-up”).

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
32.71%	31.8%	30%	29.5%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
29%	28.5%	28%	27.75%

Performance Goal: Achieve timely delivery for all customer non-hazardous stock orders.

Performance Measure: Percentage of domestic, non-hazardous stock orders shipped within 24 hours (Global Supply)

FAS contributes to the mission of each of its customers by delivering critical supplies at the lowest cost and on time. FAS measures the timeliness of Global Supply’s deliveries as the sum of domestic, non-hazardous orders shipped within 24 hours divided by sum of orders shipped.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
83.8%	80.5%	85.0%	86.0%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
87.0%	88.0%	89.0%	90.0%

This measure replaces last year’s measure for timeliness.

Performance Goal: Increase program efficiency and value to Global Supply customers by minimizing program-operating costs.

Performance Measure: Direct cost as percentage of revenue (Global Supply)

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages the costs of providing supplies to Federal agencies by tracking the ratio of direct costs to revenue.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
10.5%	10.1%	10.4%	10.2%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
9.9%	9.7%	9.4%	9.2%

Performance Goal: Increase customer satisfaction

Performance Measure: External customer satisfaction (Global Supply)

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. FAS regularly surveys clients in order to ensure the Global Supply program is meeting customer needs.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
80.3	80.9	80.5	80.6
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
80.7	80.8	80.9	81

GLOBAL SUPPLY (DISTRIBUTION OPERATIONS)

(Dollars in Thousands)

Long Term Outcome Goal

Performance Goals	Performance Measure
-------------------	---------------------

Provide supply chain solutions for the global needs of our customers (in Departments of Defense, Homeland Security, Agriculture and others) by delivering dependable, reliable and timely supplies at best value.

Reduce Supply blended mark-up from 31% to 29% - toward goal of 28%.	Blended mark-up (Global Supply)
Achieve timely delivery for all customer non-hazardous orders	Percentage of domestic, non-hazardous orders shipped within 24 hours (Global Supply)
Increase program efficiency and value to Global Supply customers by minimizing program operating costs	Direct costs as percentage of revenue (Global Supply)
Increase customer satisfaction	External customer satisfaction (Global Supply)

ASF Allocated Costs
 Program Share of Other Cost of Operations
 Program Share of GSA Corporate Expenses

Total

U.S. General Services Administration
Acquisition Services Fund

FY 2007 Actual		FY 2008 Current		FY 2009 Request		Change FY08 to FY09	
Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
31.8%	\$ 55,884	30%	\$ 65,960	29.5%	\$ 66,498	-0.5%	\$ 538
80.5%	\$ 53,768	85.0%	\$ 64,142	86.0%	\$ 64,899	1.0%	\$ 757
10.1%	\$ 24,134	10.4%	\$ 28,589	10.2%	\$ 28,828	-0.2%	\$ 239
80.9	\$ 30,467	80.5	\$ 36,065	80.6	\$ 38,217	0.1	\$ 2,152
	\$ 164,253		\$ 194,756		\$ 198,442		\$ 3,686
	\$ 50,857		\$ 48,167		\$ 43,207		\$ (4,960)
	\$ 25,832		\$ 39,905		\$ 40,933		\$ 1,028
	\$ 240,942		\$ 282,828		\$ 282,582		\$ (246)

GSS Portfolio: Acquisition Operations program

Long-Term Outcome Goal: Provide an effective acquisition solution for Federal agencies to acquire commercial products and services.

Performance Goal: Increase customer satisfaction

Performance Measure: External Customer Satisfaction (Multiple Award Schedules)

The FAS Multiple Award Schedule (MAS) Program offers Federal agencies access to millions of commercial products and services. Key attributes of customer satisfaction for the MAS Program are a wide range of products and services, the ability to negotiate additional discounts at the agency level, and access to critical providers.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
73	71.9	73.8	74
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
74.3	74.8	75	75.3

Performance Goal: Increase program efficiency and value to customers by minimizing program operating costs

Performance Measure: Direct cost as a percent of gross margin (Multiple Award Schedule)

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages direct costs of Acquisition Operations by tracking the ratio of direct costs to gross margin.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
26.9%	23.6%	25%	24.9%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
24.8%	24.7%	24.6%	24.5%

Performance Goal: Decrease the cycle time to process offers from vendors

Performance Measure: Cycle time (days) to process offers from vendors (Multiple Award Schedules)

FAS is determined to minimize the time-to-award contracts for all customers. FAS ensures timely delivery of acquisition services by tracking the average number of days required to process offers.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
87.8	72.3	79	78
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
77	76	75	74

Performance Goal: Decrease the cycle time to process modifications

Performance Measure: Cycle time (days) to process contract modifications (Multiple Award Schedules)

FAS ensures timely delivery of acquisition services by tracking the average number of days required to process contract modifications.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
14.0	16.1	17.5	17.0
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
16.5	16.0	15.0	14.0

ACQUISITION OPERATIONS

(Dollars in Thousands)

Long Term Outcome Goal

Performance Goals	Performance Measure
Provide an effective acquisition solution for Federal agencies to acquire commercial products and services.	

Increase customer satisfaction	External customer satisfaction (Multiple Award Schedules)
Increase program efficiency and value to its customers by minimizing program operating costs	Direct Costs as a percent of Gross Margin (Multiple Award Schedules)
Decrease the cycle time to process offers from vendors	Cycle time (days) to process offers from vendors (Multiple Award Schedules)
Decrease the cycle time to process modifications	Cycle time (days) to process contract modifications (Multiple Award Schedules)

ASF Allocated Costs
 Program Share of Other Cost of Operations
 Program Share of GSA Corporate Expenses

Total

U.S. General Services Administration
Acquisition Services Fund

FY 2007 Actual		FY 2008 Current		FY 2009 Request		Change FY08 to FY09	
Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
71.9	\$ 21,511	73.8	\$ 20,869	74%	\$ 20,914	-73.06	\$ 45
23.6%	\$ 11,904	25%	\$ 11,213	24.9%	\$ 11,237	-0.1%	\$ 24
72.3	\$ 23,896	79	\$ 24,898	78	\$ 24,952	-1	\$ 54
16.1	\$ 23,896	17.5	\$ 24,898	17	\$ 24,952	-0.5	\$ 54
	\$ 81,207		\$ 81,878		\$ 82,055		\$ 177
	\$ 9,260		\$ 4,874		\$ 5,058		\$ 184
	\$ 16,542		\$ 12,734		\$ 13,143		\$ 409
	\$ 107,009		\$ 99,486		\$ 100,256		\$ 770

GSS Portfolio: Personal Property Management program

Long-Term Outcome Goal: Provide optimal property disposal solutions for Federal agencies to maximize cost avoidance, while efficiently and effectively managing the exchange/sale of surplus property.

Performance Goal: Decrease the time it takes to complete disposal action for excess property to 54 days by FY 2009.

The benchmark for this goal was established in 2001 when the actual cycle time for the full disposal process was 132 days: The program has made substantial progress in this area over the past six years. GSA is currently reviewing all of its external performance goals and measures and will revise targets or replace measures that do not match current performance or the current state of the program.

Performance Measure: Cycle time for disposal process (days).

FAS measures the number of days to dispose of a given item because it directly relates to warehousing, personnel and other operating costs incurred by GSA as part of this process.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
52	49.4	55	54
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
53.5	53	52.5	52

Performance Goal: Align program operating costs relative to revenue generated by the Sales Program, and strive to maximize the return on these resources.

Performance Measure: Direct cost of Sales Program as a percent of revenue.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages the costs of the Sales program by tracking the ratio of direct costs to revenue.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
47.49%	20.1%	44%	44%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
44%	44%	44%	44%

Performance Measure: Operating cost per \$100 business volume.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages operating costs of the Personal Property Management program by tracking the ratio of operating costs to business volume. Personal Property's positive but disproportionate results for FY 2007 can be attributed to an initiative with FEMA to dispose of excess/surplus and exchange/sale trailers from post-hurricane relief efforts.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
\$18.77	\$8.10	\$21.00	\$21.00
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
\$21.00	\$21.00	\$21.00	\$21.00

Performance Goal: Maintain a customer satisfaction score higher than the Federal government American Customer Satisfaction Index (ACSI) reflecting customer satisfaction in government in FY 2007 and each year thereafter.

Performance Measure: External customer satisfaction survey score.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. FAS regularly surveys clients in order to ensure the Personal Property Management program is meeting customer needs.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
82.3	75.1	75.6	75.6
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
75.6	75.6	75.6	75.6

PERSONAL PROPERTY

(Dollars in Thousands)

Long Term Outcome Goal

Performance Goals	Performance Measure
-------------------	---------------------

Provide optimal property disposal solutions for Federal agencies to maximize cost avoidance, while efficiently and effectively managing the sale of exchange/sale and surplus property

FAS Personal Property Programs Funded through Acquisition Services Fund

Decrease the time it takes to complete disposal action for excess property to 54 days by FY2009.	Cycle time for disposal process (days)
Maintain a customer satisfaction score higher than the Federal Government American Customer Satisfaction Index (ACSI) reflecting customer satisfaction in Government in FY 2007 and each year thereafter	External customer satisfaction survey score
Align program operating costs relative to revenue generated by the Sales Program, and strive to maximize the return on these resources.	Operating cost per \$100 business volume.
	Direct cost of Sales Program as a percent of revenue.

FAS Personal Property Utilization and Donation Program Fund 142

Decrease the time it takes to complete disposal action for excess property to 54 days by FY2009.	Cycle time for disposal process (days)
--	--

ASF Allocated Costs
 Program Share of Other Cost of Operations
 Program Share of GSA Corporate Expenses
 Policy and Operating Expense Appropriated Funding
 Policy and Operating Expense Reimbursable Funding

Total

Total ASF Funding
 Total Fund 142

Total

U.S. General Services Administration
Acquisition Services Fund

FY 2007 Actual		FY 2008 Current		FY 2009 Request		Change FY08 to FY09	
Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars

49.4	\$ 6,445	55	\$ 6,805	54	\$ 6,800	-1	\$ (5)
75.1	\$ 3,215	75.55	\$ 3,424	75.55	\$ 3,527	0	\$ 103
\$ 8.10	\$ 1,542	\$ 21.00	\$ 4,095	\$ 21.00	\$ 4,218	0	\$ 123
20.1%	\$ 1,542	44%	\$ 4,095	44%	\$ 4,218	0	\$ 123

49.4	\$ 11,507	55	\$ 12,253	54	\$ 12,603	-1	\$ 350
------	-----------	----	-----------	----	-----------	----	--------

\$ 12,744	\$ 18,419	\$ 18,762	\$ 343
\$ 980	\$ 1,051	\$ 1,076	\$ 25
\$ 2,405	\$ 4,529	\$ 4,637	\$ 108
\$ 11,507	\$ 12,253	\$ 12,648	\$ 395
\$ 2,006	\$ 2,913	\$ 3,015	\$ 102
\$ 29,642	\$ 39,165	\$ 40,138	\$ 973
\$ 16,129	\$ 23,999	\$ 24,475	\$ 476
\$ 13,513	\$ 15,166	\$ 15,663	\$ 497
\$ 29,642	\$ 39,165	\$ 40,138	\$ 973

GSS Portfolio: National Furniture Center program

Long-Term Outcome Goal: Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.

Performance Goal: Reduce the time required to award new contracts and modify existing contracts.

Performance Measure: Timeliness to award new contracts (days).

FAS is determined to minimize time-to-award for all contracts. FAS ensures timely delivery of acquisition services by tracking the average number of days required to award new contracts.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
73.5	71.1	70	69
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
68	67	66	65

Performance Measure: Timeliness to award contract modifications to add products and services (days).

FAS is determined to minimize time-to-award for all customers. FAS ensures timely delivery of acquisition services by tracking the average number of days required to award modifications to existing contracts.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
18.1	9.8	9.5	9.25
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
9.0	8.75	8.5	8.25

Performance Goal: Increase the percentage of projects where cost and Procurement Administrative Lead Time (PALT) schedule variances are within +10% of the approved project plan for projects over \$5,000,000

Performance Measure: Percentage of projects where cost and Procurement Administrative Lead Time (PALT) schedule variances are within 10% of the approved project plan for projects over \$5,000,000.

FAS manages the project costs of the National Furniture Center by tracking the percentage of projects where cost and Procurement Administrative Lead Time schedule variances are within 10% of the approved project plan for projects over \$5,000,000.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
100%	100%	100%	100%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
100%	100%	100%	100%

Long-Term Outcome Goal: Minimize administrative operating cost.

Performance Goal: Align program operations to support efficiency of operations and reduce operating costs.

Performance Measure: Direct operating expenses as a percentage of gross margin.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages operating costs of the National Furniture Center by tracking the ratio of direct operating expenses to gross margin.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
52.09%	42.08%	41.5%	40.97%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
40.40%	40.40%	40.40%	40.40%

Performance Measure: Ratio of full-time equivalents (FTE) to business volume.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS measures the efficiency of the National Furniture Center by tracking the ratio of full-time equivalents to business volume.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
0.0000056%	0.0000042%	0.0000039%	0.0000038%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
0.0000037%	0.0000037%	0.0000037%	0.0000037%

Note: FAS will review methods to express performance on this metric in FY 2008.

Long-Term Outcome Goal: Conduct business with integrity, fairness, and openness.

Performance Goal: Enable customers to capitalize on cost savings and improved services by ensuring fair and equal competition throughout the vendor community.

Performance Measure: Number of schedule task orders solicited using GSA e-Buy.

FAS is committed to fostering fair and equal competition. FAS tracks its progress towards this goal by measuring the proportion of completed schedule acquisitions solicited through the e-Buy website, as a percentage of total completed schedule acquisitions. NFC's e-Buy acquisitions over \$2,500 give all schedule holders an opportunity to be considered, and e-Buy awards must have at least three realistic bids received for consideration.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
8,207	12,438	13,000	13,500
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
14,000	14,500	15,000	15,500

NATIONAL FURNITURE CENTER

(Dollars in Thousands)

Long Term Outcome Goal

Performance Goals	Performance Measure
-------------------	---------------------

Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service

Reduce the time required to award new contracts and modify existing contracts.	Timeliness to award new contracts (days).
	Timeliness to award contract modifications to add products and services (days)
Increase the percentage of projects where cost and Procurement Administrative Lead Time (PALT) schedule variances are within +10% of the approved project plan for projects over \$5,000,000	Percentage of projects where cost and Procurement Administrative Lead Time (PALT) schedule variances are within 10% of the approved project plan for projects over \$5,000,000.

Minimize administrative operating costs

Align program operations to support efficiency of operations and reduce operating costs.	Direct operating expenses as a percentage of gross margin
	Ratio of full-time equivalents (FTE) to business volume

Conduct business with integrity, fairness and openness

Enable customers to capitalize on cost savings and improved services by ensuring fair and equal competition throughout the vendor community.	Number of schedule task orders solicited using GSA e-Buy
--	--

ASF Allocated Costs
 Program Share of Other Cost of Operations
 Program Share of GSA Corporate Expenses

Total

U.S. General Services Administration
Acquisition Services Fund

FY 2007 Actual		FY 2008 Current		FY 2009 Request		Change FY08 to FY09	
Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
71.1	\$ 10,402	70	\$ 8,591	69	\$ 8,945	-1	\$ 354
9.8	\$ 10,844	9.50	\$ 8,957	9.25	\$ 9,361	-0.25	\$ 404
100%	\$ 1,673	100%	\$ 1,382	100%	\$ 1,566	0.00	\$ 184
42.08%	\$ 1,673	41.50%	\$ 1,382	40.97%	\$ 1,566	-0.53%	\$ 184
0.0000042%	\$ 5,886	0.0000039%	\$ 4,861	0.0000038%	\$ 5,210	-0.0000001%	\$ 349
12,438	\$ 3,564	13,000	\$ 2,944	13,500	\$ 3,310	500	\$ 366
	\$ 34,042		\$ 28,117		\$ 29,958		\$ 1,841
	\$2,891		\$ 2,577		\$ 7,206		\$ 4,629
	\$5,869		\$ 5,352		\$ 5,306		\$ (46)
	\$42,802		\$ 36,046		\$ 42,470		\$ 6,424

TMVCS Portfolio: GSA Fleet program

Long-Term Outcome Goal: Achieve leasing rates to customer agencies that are 20% or more below industry.

Performance Goal: Maintain the gap between GSA Fleet rates and commercial rates at 20% or more. (This goal is the weighted average rates for sedans, SUVs and minivans.)

This long-term goal and associated performance goal and measure were developed in conjunction with the PART review of this program in FY 2003 at which time established targets were in alignment with program performance. GSA is currently reviewing all of its external performance goals and measures and will update targets or measures that do not match current performance or the current state of the program.

Performance Measure: Percentage that GSA Fleet leasing rates are below commercial rates on the GSA Vehicle Leasing Schedule.

FAS provides customer agencies with significant savings by offering a better price for fleet services than a customer could obtain from commercial vendors. FAS ensures that Fleet prices are competitive by tracking the difference between GSA Fleet rates and commercial rates.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
39.06%	42.38%	= >29.50%	= >29.75%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
= >30%	= >30.25%	= >30.5%	30.75%

Performance Measure: Program support and operational expenses per vehicle year of operation.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages the cost of providing fleet services by tracking the ratio of support and operating expenses to vehicle-years of operations.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
\$495.98	\$487.84	\$495	\$490
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
\$485	\$484	\$483	\$482

Performance Goal: Aggressively pursue consolidation opportunities to reduce overall government expenses.

Performance Measure: Number of vehicles managed per employee

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS measures efficiency of operations by tracking the ratio of vehicles managed to employees in the Fleet program.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
352	355	345	350
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
355	356	357	358

Performance Goal: Maintain the Vehicle Leasing program's current level of world-class customer satisfaction in government.

Performance Measure: GSA Fleet external customer satisfaction survey score.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. FAS regularly surveys clients in order to ensure the GSA Fleet program is meeting customer needs.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
84.5	84.9	83.2	83.4
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
83.5	83.6	83.7	83.8

GSA FLEET

(Dollars in Thousands)

Long Term Outcome Goal

Performance Goals	Performance Measure
-------------------	---------------------

Achieve leasing rates to customer agencies that are 20% or more below industry

Maintain the gap between GSA Fleet rates and commercial rates at 20% or more	Percentage of GSA Fleet leasing rates below commercial rates on the GSA Vehicle Leasing Schedule
	Program support and operational expense per vehicle year of operation
Maintain the Vehicle Leasing program's current level of world-class customer satisfaction in government.	GSA Fleet external customer satisfaction survey score
Aggressively pursue consolidation opportunities to reduce overall government expenses.	Number of vehicles managed per on board

ASF Allocated Costs
 Program Share of Other Cost of Operations
 Program Share of GSA Corporate Expenses

Total

U.S. General Services Administration
Acquisition Services Fund

FY 2007 Actual		FY 2008 Current		FY 2009 Request		Change FY08 to FY09	
Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
42.38%	\$ 49,090	29.50%	\$ 46,359	29.75%	\$ 47,209	0.25%	\$ 850
\$487.84	\$ 6,509	\$ 495	\$ 6,147	\$ 490	\$ 6,260	-5.0	\$ 113
84.9	\$ 28,297	83.2	\$ 26,722	83.4	\$ 27,212	0.2	\$ 490
355	\$ 6,509	345	\$ 6,147	350	\$ 6,260	5.0	\$ 113
	\$ 90,405		\$ 85,375		\$ 86,941		\$ 1,566
	\$ 868,065		\$ 926,911		\$ 949,157		\$ 22,246
	\$ 17,296		\$ 20,023		\$ 20,503		\$ 480
	\$ 975,766		\$ 1,032,309		\$ 1,056,601		\$ 24,292

TMVCS Portfolio: Vehicle Acquisition program

Long-Term Outcome Goal: Achieve acquisition cost savings for customer agencies by providing vehicles at 20% or more below manufacturers' invoice price

Performance Goal: Maintain 28% or better discount from manufacturer's invoice price.

Performance Measure: Percentage discount from the invoice price.

FAS provides customer agencies with significant savings by offering a better price for motor vehicles than a customer could obtain from commercial vendors. FAS ensures that automobile prices are competitive by tracking the difference between GSA price paid and the invoice price.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
39.0%	32%	= > 28.7%	= > 28.9%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
= > 29%	= > 29.1%	= > 29.2%	= > 29.3%

Performance Goal: Manage program resources to meet its future needs while maximizing program efficiency.

Performance Measure: Number of vehicles purchased per FTE.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS measures efficiency of operations by tracking the ratio of vehicles purchased to on-board associates in the Vehicle Acquisition program.

This long-term goal and associated performance goals and measures were developed in conjunction with the PART review of this program in FY 2003 at which time established targets were in alignment with program performance. GSA is currently reviewing all of its external performance goals and measures and will update targets or measures that do not match current performance or the current state of the program. The Automotive program had a record year in FY 2007 selling over 65,000 vehicles while employment levels remained relatively unchanged resulting in the variance between FY 2006 and FY 2007 results.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
1,676	1,845	1,320	1,330
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
1,335	1,340	1,345	1,350

Performance Goal: Increase customer satisfaction.

Performance Measure: GSA Automotive external customer satisfaction survey score.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. FAS regularly surveys clients in order to ensure the Vehicle Acquisition program is meeting customer needs.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
77.9	78.6	80.1	80.2
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
80.3	80.4	80.5	80.6

VEHICLE ACQUISITION

(Dollars in Thousands)

Long Term Outcome Goal

Performance Goals	Performance Measure
-------------------	---------------------

Achieve acquisition cost savings for customer agencies by providing vehicles at 28% or more below manufacturers' invoice price.

Maintain 28% or better discount from manufacturer's invoice price	Percentage discount from the invoice price
Manage program resources to meet its future needs while maximizing program efficiency	Number of vehicles purchased per FTE
Increase customer satisfaction	GSA Automotive external customer satisfaction survey score

ASF Allocated Costs
 Program Share of Other Cost of Operations
 Program Share of GSA Corporate Expenses

Total

U.S. General Services Administration
Acquisition Services Fund

FY 2007 Actual		FY 2008 Current		FY 2009 Request		Change FY08 to FY09	
Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
32%	\$ 5,255	>28.7%	\$ 5,146	>28.9%	\$ 5,252	0.2%	\$ 106
1,845	\$ 2,439	1,320	\$ 2,388	1,330	\$ 2,429	10	\$ 41
78.6	\$ 1,654	80.1	\$ 1,620	80.2	\$ 1,642	0.1	\$ 22
	\$ 9,348		\$ 9,154		\$ 9,323		\$ 169
	\$ 385		\$ 559		\$ 573		\$ 14
	\$ 2,081		\$ 1,691		\$ 1,732		\$ 41
	\$ 11,814		\$ 11,404		\$ 11,628		\$ 224

TMVCS Portfolio: GSA Travel programs

Long-Term Outcome Goal: Provide an end-to-end and fully integrated travel management shared service that is: (a) Policy compliant, cost-effective, and customer focused, (b) An enabler for agencies to better manage their individual travel businesses, and (c) Fulfills Agency needs while delivering the best value to agencies (at discounts unattainable by individual agencies) by leveraging the government's purchasing power via strategic sourcing.

Performance Goal: Reduce program operating costs.

Performance Measure: Direct cost as a percent of revenue.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages operating costs of GSA Travel programs by tracking the ratio of direct costs to revenue.

The eTravel program is excluded at this time since the majority of the program financing comes from ASF contributions and not revenue generated by the program. Including that program would distort the measures value and relevance. FY 2006 results are atypical as the program realized higher than anticipated revenue from its emergency lodging schedule as a result of the use of this tool following Hurricane Katrina.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
37.8%	54.3%	62%	61%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
60%	59%	58%	57%

Performance Goal: Increase customer satisfaction.

Performance Measure: External customer satisfaction survey score.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. FAS regularly surveys clients in order to ensure that GSA Travel programs are meeting customer needs.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
75.4	63.2	75.6	75.8
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
76.0	76.2	76.3	76.4

Performance Goal: Provide policy compliant, consolidated and fully integrated end-to-end travel services government-wide.

Performance Measure: Percentage of vouchers serviced through the ETS.

FAS provides customer agencies with significant savings in travel services and related administrative costs, primarily through use of the ETS system. FAS measures the success of the ETS program as the percentage of vouchers processed is relative to the estimated total voucher population of the Federal government.

FY 2007 results were lower than expected due to deployment delays from the migrating agencies. The five largest agencies (DHS, Treasury, DOJ, DOI, USDA) comprise over 60% of all vouchers and have yet to deploy the bulk of their departments. These agencies are making progress toward full deployment in FY 2008.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
6.7%	18.8%	30.7%	59.2%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
90%	90%	90%	90%

Performance Measure: Percentage of Business Reference Model (BRM) agencies migrating to ETS.

FAS provides customer agencies with significant savings in travel services and related administrative costs, primarily through use of the ETS system. FAS measures the success of the system by tracking the percentage of BRM agencies that have implemented and deployed ETS by signing a contract with at least one of the ETS vendors. There are a total of 24 BRM agencies within the Federal government that are covered by the Federal Enterprise Architecture (FEA) and are the intended customers of ETS.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
54.17%	75%	100%	100%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
100%	100%	100%	100%

Performance Goal: Provide programs that enable customer agencies to realize discounts off of commercially available rates.

Performance Measure: FedRooms percentage off consortia rate.

FAS provides customer agencies with significant savings by offering a better price for lodging than a customer could obtain from commercial vendors. FAS measures these savings by comparing the rates that customer agencies pay when using the GSA FedRooms program to the rates that large companies or agencies realize through volume negotiated rates (consortia).

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
29%	28%	27%	26%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
26%	26%	26%	26%

Performance Measure: City Pair Program percentage off the lowest published full economy fare.

FAS provides customer agencies with significant savings by offering a better price for airfare than a customer could obtain from commercial vendors. FAS measures these savings by comparing the discount that customer agencies pay for air travel tickets when using the GSA City Pair Program to rates that customers pay if they purchased comparable airline tickets through their own methods.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
Not Measured	67%	66%	66%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
66%	66%	66%	66%

THIS PAGE INTENTIONALLY LEFT BLANK

GSA TRAVEL

(Dollars in Thousands)

Long Term Outcome Goal

Performance Goals	Performance Measure
-------------------	---------------------

Provide an end-to-end and fully integrated travel management shared service that is: 1) Policy compliant, cost-effective, and customer focused, 2) An enabler for agencies to better manage their individual travel businesses, and 3) Fulfills Agency needs while delivering the best value to agencies (at discounts unattainable by individual agencies) by leveraging the Government's purchasing power via strategic sourcing.

Reduce program operating costs	Direct costs as a percentage of revenue
Increase customer satisfaction	External customer satisfaction survey score
Provide policy compliant, consolidated and fully integrated end-to-end travel services Government-wide.	Percentage of BRM agencies migrating to ETS
	Percentage of vouchers serviced through ETS
Provide programs that enable customer agencies to realize discounts off of commercially available rates	FedRooms percentage off consortia rate
	City Pair Program percentage off the lowest published full economy fare.

ASF Allocated Costs
 Program Share of Other Cost of Operations
 Program Share of GSA Corporate Expenses

Total

U.S. General Services Administration
Acquisition Services Fund

FY 2007 Actual		FY 2008 Current		FY 2009 Request		Change FY08 to FY09	
Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
54.3%	\$ 993	62%	\$ 1,154	61%	\$ 1,066	-1.0%	\$ (88)
63.2	\$ 1,043	75.6	\$ 1,212	75.8	\$ 1,126	0.2	\$ (86)
75%	\$ 4,838	100%	\$ 5,623	100%	\$ 5,655	0.0%	\$ 32
18.8%	\$ 5,918	30.7%	\$ 6,879	59.2%	\$ 6,914	28.50%	\$ 35
28%	\$ 488	27%	\$ 567	26%	\$ 463	-1.0%	\$ (104)
67%	\$ 592	66%	\$ 688	66%	\$ 587	0.0%	\$ (101)
	\$ 13,872		\$ 16,123		\$ 15,811		\$ (312)
	\$ 444		\$ 1,391		\$ 985		\$ (406)
	\$ 1,326		\$ 2,970		\$ 3,785		\$ 815
	\$ 15,642		\$ 20,484		\$ 20,581		\$ 97

TMVCS Portfolio: GSA Transportation programs

Long-term Outcome Goal: Provide end-to-end fully integrated management system/solutions to increase value for agency customers.

Performance Goal: Increase customer satisfaction.

Performance Measure: External customer satisfaction survey score.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. FAS regularly surveys clients in order to ensure that GSA Transportation programs are meeting customer needs.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
78.8	76	77.5	77.6
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
77.7	77.8	77.9	80.0

Performance Goal: Reduce program operating costs.

Performance Measure: Direct cost as a percent of gross margin.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages operating costs of GSA Transportation programs by tracking the ratio of direct costs to gross margin.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
48.2%	41.4%	47%	46.5%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
46%	45.5%	45%	44.5%

Performance Goal: Maximize customer savings through the use of GSA Transportation programs.

FAS provides customer agencies with significant savings in a variety of transportation services. In FY 2007, FAS tracked savings realized by GSA customers in three key transportation services: Freight, household goods, and domestic delivery.

Performance Measure: Freight savings.

FY 2006 actual results for this measure are not correct. The previously reported FY 2006 results were found to be invalid by a benchmarking study that was conducted in FY 2007, it was determined that outdated historical data was initially used to determine FY 2006 results this created the discrepancy below between FY 2006 and FY 2007 actuals.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
40%	25%	25.5%	26%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
26.5%	27%	27.5%	28%

Performance Measure: Household goods savings.

FY 2006 actual results for this measure are not correct. The previously reported FY 2006 results were found to be invalid by a benchmarking study that was conducted in FY 2007, it was determined that outdated historical data was initially used to determine FY 2006 results this created the discrepancy below between FY 2006 and FY 2007 actuals.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
58%	6%	6.5%	7%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
7.5%	8%	8.5%	9%

Performance Measure: Express and Ground Domestic Delivery Services Savings - FSSI.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
Not Measured	62.2%	62.4%	62.6%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
62.8%	63.0%	63.2%	63.4%

GSA TRANSPORTATION

(Dollars in Thousands)

Long Term Outcome Goal

Performance Goals	Performance Measure
-------------------	---------------------

Provide end-to-end fully integrated management system/solutions to increase value for agency customers.

Increase customer satisfaction	External customer satisfaction survey score
--------------------------------	---

Reduce program operating costs	Direct costs as a percent of gross margin
Maximize customer savings through the use of GSA Transportation programs	Freight savings
	Household Goods savings
	Express and Ground Domestic Delivery Services Savings - FSSI.

Transportation Audits fund

By FY 08, as part of overall automation and streamlining of transportation processes, attain and sustain percentage of electronic audits at 95% gradually increasing to 98%	Percent of audits performed electronically
	Percent of claims processed within 120 days

	ASF Allocated Costs
	Program Share of Other Cost of Operations
	Program Share of GSA Corporate Expenses
	Transportation Audits Program Share of GSA Corporate Expenses
	Transportation Audits Allocated Appropriated Funds
	Total
	Total, Acquisition Services Fund
	Total, Transportation Audits
	Total

U.S. General Services Administration
Acquisition Services Fund

FY 2007 Actual		FY 2008 Current		FY 2009 Request		Change FY08 to FY09	
Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars

76	\$ 835	77.5	\$ 1,076	77.6	\$ 1,102	0.1	\$ 26
----	--------	------	----------	------	----------	-----	-------

41.4%	\$ 2,523	47%	\$ 3,252	46.5%	\$ 3,330	-0.5%	\$ 78
25%	\$ 838	25.5%	\$ 1,081	26%	\$ 1,107	0.50%	\$ 26
6%	\$ 838	6.5%	\$ 1,081	7%	\$ 1,107	0.50%	\$ 26
62.2%	\$ 838	62.4%	\$ 1,081	62.6%	\$ 1,107	0.20%	\$ 26

95.9%	\$ 4,830	97.0%	\$ 5,392	97.0%	\$ 5,134	0.00%	\$ (258)
75%	\$ 4,830	77%	\$ 5,392	79%	\$ 5,134	2.00%	\$ (258)

	\$ 5,872		\$ 7,571		\$ 7,753		\$ 182
	\$ 388		\$ 552		\$ 566		\$ 14
	\$ 1,159		\$ 1,596		\$ 1,900		\$ 304
	\$ 1,111		\$ 716		\$ 732		\$ 16
	\$ 9,660		\$ 10,784		\$ 10,268		\$ (516)
	\$ 18,190		\$ 21,219		\$ 21,219		\$ -

	\$ 7,419		\$ 9,719		\$ 10,219		\$ 500
	\$ 10,771		\$ 11,500		\$ 11,000		\$ (500)
	\$ 18,190		\$ 21,219		\$ 21,219		\$ -

TMVCS Portfolio: GSA Card Services (SmartPay®) Program

Long-Term Outcome Goal: Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.

Performance Goal: Provide quality services to our customers as determined by satisfaction scores.

Performance Measure: Overall customer satisfaction of GSA SmartPay® Program.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. In FY 2007, FAS surveyed clients in order to ensure that GSA SmartPay® is meeting customer needs.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
Not Measured	75.8	65	70
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
75	77	79	81

Performance Measure: GSA SmartPay® Conference satisfaction as determined by attendee survey results.

The annual GSA SmartPay® Conference serves as a major opportunity to train customer agencies in the proper use of the tools that are provided as part of the program. Approximately 4,000 customers attend this event each year. The results below are based on surveys administered at the conference and are not comparable to the overall customer satisfaction measures used by other programs within FAS.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
91.2	91.4	93.5	94.0
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
94.5	94.75	95.0	95.25

Performance Goal: Provide timely information to customers as requested to meet their needs.

Performance Measure: Timeliness of report submission.

The measure is being put in place to track the timeliness of banks in providing requested reports to customer agencies and GSA in support of administering charge card programs. The targets for this measure will flat line beyond 2009 as the target is reached or exceeds 95%, performance improvements beyond this level will be more costly than the benefit realized.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
Not Measured	89.1%	>=90%	>=95%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
>=95%	>=95%	>=95%	>=95%

Long-Term Outcome Goal: Minimize administrative operating cost.

Performance Goal: Maximize program-operating efficiency.

Performance Measure: Government-wide spend per GSA SmartPay® contract administration FTE.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS measures the efficiency of the GSA SmartPay® program by tracking the ratio of GSA FTE administering the SmartPay® contract to SmartPay® business volumes.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
\$5.31 billion	\$5.44 billion	\$5.11 billion	\$5.14 billion
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
\$5.15 billion	\$5.16 billion	\$5.17 billion	\$5.18 billion

GSA CARD SERVICES

(Dollars in Thousands)

Long Term Outcome Goal

Performance Goals	Performance Measure
-------------------	---------------------

Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.

Provide quality services to our customers as determined by satisfaction scores.	Overall customer satisfaction of GSA SmartPay® Program.
	GSA SmartPay® Conference satisfaction as determined by attendee survey results.
Provide timely information to customers as requested to meet their needs.	Timeliness of report submission.

Minimize administrative operating cost.

Maximize program-operating efficiency.	Government-wide spend per GSA SmartPay® contract administration FTE.
--	--

ASF Allocated Costs
 Program Share of Other Cost of Operations
 Program Share of GSA Corporate Expenses

Total

U.S. General Services Administration
Acquisition Services Fund

FY 2007 Actual		FY 2008 Current		FY 2009 Request		Change FY08 to FY09	
Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
75.8	\$ 4,346	65	\$ 3,546	70	\$ 3,596	5.0	\$ 50
91.4	\$ 1,113	93.5	\$ 1,028	94.0	\$ 1,041	0.5	\$ 13
89.1	\$ 910	>=90%	\$ 954	>=95%	\$ 967	5%	\$ 13
\$5.44 Billion	\$ 2,062	\$5.11 Billion	\$ 2,234	\$5.14 Billion	\$ 2,264	\$0.03 Billion	\$ 30
	\$ 8,431		\$ 7,762		\$ 7,868		\$ 106
	\$ 471		\$ 458		\$ 507		\$ 49
	\$ 1,239		\$ 1,677		\$ 1,717		\$ 40
	\$ 10,141		\$ 9,897		\$ 10,092		\$ 195

THIS PAGE INTENTIONALLY LEFT BLANK

U.S. General Services Administration

WORKING CAPITAL FUND

Fiscal Year 2009 Budget Request

CONTENTS

Program Financing	2
Amounts Available for Obligation	3
Explanation of Changes	4
Obligations by Object Classification	6
Obligations by Program	7
Explanation of Changes by Program.....	8
Program Description.....	9
Performance Section	11
Chief Financial Officer (CFO)	11
Chief Human Capital Officer (CHCO).....	14
Chief Information Officer (CIO).....	15
Other Staff Offices	20

Program Financing

The GSA Working Capital Fund (WCF) is a full-cost recovery revolving fund that provides a full range of administrative shared services functions to GSA and to select agencies outside of GSA in the most efficient and economical manner possible. Expenses of the WCF are financed through reimbursable funding from GSA's benefiting accounts and from external sources, including small agencies and commissions, for services provided. The WCF charges fees based on a fee schedule established through an annual rate-setting process performed collaboratively with our customers. The rate-setting process recovers the anticipated costs of goods, services, and resources provided to customers with neither a loss nor a gain by the GSA WCF. The rate-setting process also provides information to customers to assist in their resource management.

The WCF provides a corporate framework for common support services including human resources, personnel policy and administration; payroll, travel support; information, data and communications services; acquisition policy; legal advice and services; budgeting and financial management; equal employment opportunity services; liaison activities with the Congress and Office of Management and Budget; oversight of GSA contracting activities; and emergency planning and response. This account also funds liaison with the Small Business Administration on minority business proposals and contracts to ensure that small and disadvantaged businesses receive a fair share of the agency's business.

By centrally managing common administrative services in a shared service environment, cost savings are driven by process improvements, economies of scale and asset leveraging, effective funds management, and strategic sourcing. The WCF works in conjunction with the Federal Building Fund, the Acquisition Services Fund, and the various appropriated accounts.

GSA anticipates providing reimbursable services totaling \$518,331 thousand in fiscal year 2009, an increase of \$12,384 thousand over the FY 2008 operating program level of \$505,947.

Amounts Available for Obligation
(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Budget
Unobligated balance, start of year.....	\$93,553	\$97,684	\$97,684
Reimbursable authority:			
New authority (Cash).....	\$352,024	\$505,947	\$518,331
Change in uncollected payments.....	3,204	0	0
Subtotal, reimbursable authority.....	\$355,228	\$505,947	\$518,331
Recovery of prior-year obligations.....	\$7,271	\$0	\$0
Transfers of expired unobligated balances.....	\$5,520	\$0	\$0
Unobligated balance, end of year.....	-\$97,684	-\$97,684	-\$97,684
Total obligations.....	\$363,888	\$505,947	\$518,331
<i>Net Outlays</i>	-\$11,791	-\$35,000	-\$2,000

U.S. General Services Administration
Working Capital Fund

Explanation of Changes

(Dollars in Thousands)

	<u>FTE</u>	<u>Obligations</u>
2008.....	1,499.0	\$505,947
2009.....	<u>1,507.0</u>	<u>\$518,331</u>
Net Change.....	8.0	\$12,384

	<u>FTE</u>	<u>Obligations</u>
Maintaining Current Levels:		
Annualization of FY 2008 Pay Act (3.5%), Effective January 2008		\$1,059
Wage Board and Pay Act Increase (2.9%), Effective January 2009		\$2,055
Inflation (2.4%) for travel, supplies, comm., printing		\$1,869
Increased cost of goods and services		\$3,018
Operations and maintenance of equipment		\$1,903
Subtotal, Maintaining Current Levels.....		<u>\$9,904</u>
Program Decreases:		
Reduction for FY 2008 one-time costs		-\$1,126
Program Increases:		
Additional consolidation of GSA IT support contracts to continue implementation of Information Technology Consolidation		\$2,424
Increase staffing for the Office of Emergency Response and Recovery to improve GSA continuity of operations planning	8.0	\$853
GSA Financial Management System upgrades		\$329
Subtotal, Program Increases.....	<u>8.0</u>	<u>\$3,606</u>
Net change.....	8.0	\$12,384

The FY 2009 operating plan includes an increase of **\$12,384 thousand**. The largest component of the planned increase is the cost of maintaining FY 2008 levels of service in FY 2009. A total of **\$9,904 thousand** is applied to inflationary increases and the cost of the annualization of the FY 2008 pay raise and the FY 2009 pay raise. This increase includes the following components:

- An increase of \$4,983 thousand is provided for the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and cost increases for inflation for travel, supplies, communications and printing
- An increase of \$3,018 thousand is provided for increased costs of goods and services obtained through service contracts, including the costs of contractor personnel.
- An increase of \$1,903 thousand is provided for operations and maintenance of equipment, for increased costs associated with software development, licenses, and hardware maintenance for GSA financial management systems

Program increases totaling **\$3,606 thousand** are provided for: Information Technology (IT) infrastructure consolidation, the Office of Emergency Response and Recovery (OERR), and GSA financial management system development.

- The FY 2008 operating plan includes the transfer in of 149 FTE and \$80,269 thousand over the level reported in the FY 2008 Congressional Justification to accommodate the FY 2007 consolidation of GSA **Information Technology (IT) infrastructure** resources from across GSA. In late FY 2007, GSA consolidated all IT infrastructure and related funding into the WCF. The Chief Information Officer's (CIO) Office of Enterprise Infrastructure assumed control of agency-wide budgets for IT peripherals and consumables, facility expenses (rent/occupancy), hardware/software maintenance, and server workstation equipment. As a result of the consolidation, all agency local area networks and associated personnel were transferred to the GSA CIO, and 44 individual IT service and support contractors were consolidated under one contract. The consolidation supports the future reduction of operating costs by: (1) allowing for more efficient allocation of IT support personnel and equipment; (2) reducing unnecessary spending by permitting uniform standards for hardware and software; and (3) consolidating spending to allow for the strategic sourcing of infrastructure components. The consolidation will be fully implemented by the end of FY 2009.
- An increase of \$853 thousand and 8 FTE is provided to fund increased staffing needs in **OERR**. These resources are essential for OERR to fulfill its responsibilities for GSA's internal continuity of operations planning and related activities. The requested FTE will: (1) develop agency-wide continuity of operations policies, plans and procedures; (2) provide subject matter expertise and assistance on the contingency plans of GSA offices; (3) develop and implement agency-wide disaster readiness programs; (4) provide emergency acquisition support and on-the-ground liaison between GSA field organizations and headquarters during national disasters; and (5) provide emergency acquisition support and emergency real property management between GSA field offices and headquarters. These resources may be distinguished from the FTE requested in the Operating Expenses appropriation by their focus: WCF funds are applied to planning, policy, and reconstitution and recovery of GSA internally, while appropriated funds are requested to fulfill GSA's obligations to support similar activities in support of the entire Executive Branch.

U.S. General Services Administration
Working Capital Fund

Obligations by Object Classification

(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Budget
11.1 Full-time, permanent.....	\$110,479	\$128,562	\$136,425
11.3 Other than full-time permanent.....	247	373	314
11.5 Other personnel compensation.....	3,974	5,473	5,813
11.8 Special personnel compensation	105	52	52
12.1 Civilian personnel benefits.....	41,335	45,320	47,823
13.0 Benefits for former personnel	998	948	971
21.0 Travel and transportation of persons.....	3,134	3,996	4,176
22.0 Transportation of things.....	558	56	56
23.1 Rental payments to GSA.....	14,011	19,463	23,968
23.2 Rental payments to others.....	25	285	292
23.3 Communications and utilities.....	21,090	25,828	26,322
Subtotal, Rent, communications & utilities.....	\$35,126	\$45,576	\$50,582
24.0 Printing and reproduction.....	1,055	1,698	1,735
25.1 Advisory and assistance services.....	88,844	163,504	155,995
25.2 Other services.....	3	1,958	3,019
25.3 Goods & services from Gov't accounts.....	45,500	68,575	70,563
25.7 Operation and maintenance of equipment.....	4,972	17,884	18,312
Subtotal, Contractual services.....	\$139,319	\$251,921	\$247,889
26.0 Supplies and materials.....	1,326	1,270	1,300
31.0 Equipment.....	26,232	20,702	21,195
99.0 Total Obligations,	\$363,888	\$505,947	\$518,331
Subtotal, PC&B.....	157,138	180,728	191,398
Subtotal, Non-labor.....	206,750	325,219	326,933

*U.S. General Services Administration
Working Capital Fund*

Obligations by Program
(Dollars in Thousands)

	<u>2007 Actual</u>		<u>2008 Current</u>		<u>2009 Budget</u>	
	FTE	obligations	FTE	obligations	FTE	obligations
1. Recurring Services						
Centralized Administrative Support	1,105.0	\$210,077	1,192.0	\$235,725	1,200.0	\$242,750
Infrastructure & Operations	123.0	73,199	189.0	149,155	189.0	153,609
Centralized Charges	54.0	57,020	59.0	67,673	59.0	66,981
External Reimbursable	38.0	13,789	38.0	22,095	38.0	23,454
Other Internal Reimbursable	5.0	9,740	21.0	16,325	21.0	16,668
Subtotal, Recurring Services.....	1,325.0	\$363,825	1,499.0	\$490,973	1,507.0	\$503,462
2. Major Equipment Acquisition and Development						
	-	63	-	14,974	-	14,869
Total Budget Authority.....	1,325.0	\$363,888	1,499.0	\$505,947	1,507.0	\$518,331

U.S. General Services Administration
Working Capital Fund

Explanation of Changes by Program

(Dollars in Thousands)

	Recurring Services		Major Equip Acquisition & Development	TOTAL	
	FTE	obligations	obligations	FTE	obligations
FY 2008 Congressional Budget Request	1,450.0	\$405,829	\$13,950	1,450.0	\$419,779
FY 2008 Adjustments:					
Adjusted FY 2008 Pay raise		860			\$860
Adjustment to previous provisions for inflation		2,141			\$2,141
Increased reimbursable business volumes		2,369			\$2,369
Transfer out of e-Gov IT Infrastructure to OGP	-11.0	(1,269)		-11.0	(\$1,269)
Transfer in of FAS FTE to CAO	8.0	1,030		8.0	\$1,030
Savings from cost reduction efforts	-97.0	(3,400)		-97.0	(\$3,400)
Increase Inspector General IT investments		0	590		\$590
IT Infrastructure Consolidation (inc. Rent increase)	149.0	80,269		149.0	\$80,269
Summary of minor (<\$1M) program changes		3,144	434		\$3,578
FY 2008 Adjusted Base	1,499.0	\$490,973	14,974	1,499.0	\$505,947
Maintaining Current Level of Services:		\$0			
Annualization of 2008 Pay Act (3.5%)		1,059			\$1,059
FY 2009 Pay Act (2.9%)		2,055			\$2,055
Inflation (2.4%) for travel, supplies, comm., printing		1,869			\$1,869
Increased costs of goods and services		3,018			\$3,018
Operation and maintenance of equipment		1,903			\$1,903
Program Decreases:		\$0			
Reduction for FY 2008 one-time costs		(\$692)	(\$434)		(\$1,126)
Program Increases:		\$0			
IT Infrastructure Consolidation follow-on		\$2,424			\$2,424
Office of Emergency Response and Recovery FTE	8.0	853		8.0	\$853
Financial System upgrades		\$0	329		\$329
FY 2009 Budget Request	1,507.0	\$503,462	\$14,869	1,507.0	\$518,331

Program Description

The Working Capital Fund (WCF) funds centralized operations for **Recurring Administrative Support Services** and finances **Major Equipment Acquisitions and Development**.

Recurring Administrative Support Services are further divided between Centralized Administrative Support (CAS) and Other Reimbursable program. CAS programs provide general administrative support either to or on behalf of GSA as a single entity. Other Reimbursable programs deliver a defined product or service to a specific customer and are financed through Memoranda of Understanding.

Centralized Administrative Support (CAS) represents the largest portion of the WCF, at approximately 55% of total obligations. CAS provides centralized administrative support to GSA organizations, including the Office of the Chief Financial Officer (OCFO); Office of the Chief Human Capital Officer (OCHO) Office of the Chief Information Officer (OCIO); Office of the Chief Acquisition Officer (OCAO); Office of General Counsel (OGC); Office of Emergency Response and Recovery (OERR); Office of the Civil Rights (OCR); and Office of Performance Improvement (OPI).

The FY 2009 operating plan includes \$242,750 thousand for CAS, an increase of \$7,026 thousand over the FY 2008 level. This increase would fund the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and cost increases for inflation. The request also includes an increase of 8 FTE for Office of Emergency Response and Recovery.

Other Reimbursable programs include GSA information technology Infrastructure and Operations (IO), Centralized Charges (CC), and a number of small, reimbursable administrative support programs offered to internal organizations, as well as to other Federal agencies and commissions.

Enterprise Infrastructure and Operations (EIO): GSA's information technology support provided by the Chief Information Office through Infrastructure and Operations. The FY 2009 operating plan includes \$153,609 thousand for Infrastructure and Operations, an increase of \$4,454 thousand over the FY 2008 level. This increase would fund the annualization of the FY 2008 Federal pay raise, the FY 2009 pay raise, and cost increases for inflation. The increase is also for additional infrastructure operations workload.

The major EIO functions include:

- Managing and providing oversight of the consolidated IT infrastructure contract (called GITGO), asset management, service level agreement management, coordinating all aspects of the budget, IT capital planning, Information System Security Manager (ISSM) responsibilities, and continuity of operations
- Managing and supporting agency-wide servers, including but not limited to: hardware and software platform selection, deployment, operation, maintenance, application integration, security management, patch management, policy creation and coordination

*U.S. General Services Administration
Working Capital Fund*

- Providing directory management, identity management, and access privileges of user credentials; and design, development, and deployment of authentication and directory services solutions for both internal and external users
- Managing and supporting automated application deployment, and distributing standard and custom applications to GSA Client systems
- Managing and supporting agency-wide electronic mail client and web-mail, anti-virus, anti-spam and related messaging security applications

Centralized Charges (CC) pays fees or expenses on behalf of the entire agency for unemployment compensation, worker's compensation, postage and fees, the GSA management intern program, and local service / dial-tone telephone charges. The FY 2009 operating plan includes \$66,981 thousand for Centralized Charges, a decrease of \$692 thousand over the FY 2008 level.

External Reimbursable programs financed through the WCF provide administrative services similar to those described in the CAS section above, but for agencies and commissions external to GSA. External Reimbursable administrative services include accounting, payroll, budget, personnel and procurement. Customers include small agencies, Presidential commissions, House and Senate offices, and the Inspector General Criminal Investigations Academy. The FY 2009 operating plan includes \$23,454 thousand for External Reimbursable programs, an increase of \$1,359 thousand over the FY 2008 level.

Major Equipment Acquisition and Development provides for major acquisitions of computer hardware and software. The Office of Inspector General (OIG) requires the acquisition of computer hardware and software needed in order to provide complete support and state-of-the-art computer technology for the OIG programs, auditors and investigators; ensure that the OIG nationwide network permits access to necessary internal financial management and personnel management systems as well as external information sources; and maintain a central bank of current audit, investigation and management information that allows continued development and enhancements of the management information systems. The FY 2009 operating plan includes \$14,869 thousand for Major Equipment Acquisition and Development, a decrease of \$105 thousand over the FY 2008 level.

Performance Section

Chief Financial Officer (CFO)

The Office of the GSA Chief Financial Officer (OCFO) provides “corporate” shared financial management services to GSA and more than 40 external customers. OCFO directly supports GSA’s mission by providing high quality financial management services including strategic planning; budget and performance management; labor forecasting and distribution; financial analysis; financial operations (accounts payable, accounts receivable, cost allocation, asset management; e-Payroll; financial reporting; internal controls and audit follow-up.

OCFO’s vision is the establishment of a Culture of Financial Integrity throughout GSA. Our mission is to enable financial transparency, accountability and strategic decision-making throughout the agency. We do this by providing accurate, cost effective financial and performance analysis, reporting and advice. We ensure that GSA executes its mission in a policy-compliant, efficient and effective manner. OCFO has established the following strategic goals to maximize our support for and alignment with the GSA mission and strategy, and the successful execution of our mission:

- Integrate planning, budgeting and performance
- Inspire confidence and trust
- Have timely, accurate, and secure financial information on demand
- Operate a lean, efficient financial organization and Financial Management Shared Services Provider

GSA’s Performance Management Process (PMP) program institutionalized performance-based budgeting at GSA. This enables leaders to identify Business Line/Program areas requiring performance improvement; develop strategy and action plans, performance goals, and measures to initiate and track the improvement; and execute the strategies and the budget at the operational level to achieve desired results. This process has enhanced and strengthened communication among senior managers throughout the year regarding planning, budget prioritization, and performance results.

Since FY 2007, the CFO has pursued a variety of initiatives, both financial and systems oriented, to position GSA as a provider of professional financial services to our customers. The efforts undertaken during FY 2007 laid the foundation for the FY 2008 and FY 2009 activities and strengthened our vision as a shared service provider designated under OMB’s Financial Management Line of Business E-Gov program. As the CFO transitions through FY 2008 and FY 2009, we will focus on several key priorities critical to GSA’s success in this effort. Increased emphasis will be placed on streamlining financial transaction operations, gaining efficiencies through financial systems integration and automation, developing and implementing the Federal Integrated Solutions Center (FISC), and institutionalizing A-123 internal control requirements for GSA programs nationwide.

The Federal Integrated Solutions Center (FISC) was established in February 2006, as one of four designated Federal Financial Management Line of Business Shared Services Providers. The mission of the FISC is to provide Federal government agencies with integrated, compliant, and high-performing financial and administrative “back-office” services, such as accounting transaction processing support, financial management system hosting and management, eGov Travel, and ePayroll. As a Shared Services Provider, FISC is contributing to achievement of

Federal-wide goals for enhanced financial management effectiveness, reduced risk through strong security and internal controls, and improved interoperability and efficiencies gained through consolidation and business process and data standardization. Use of FISC's services will enable client agencies to concentrate on their core missions, not their support services. OCFO's focus is now on continuing the stand up of FISC's services successfully fulfilling current customer orders; and planning for risk-based, controlled growth in the size and scope of our current customer base of small and mid-sized agencies. OCFO's vision is for the FISC to be a competitive, best value provider of expert, integrated back office process, technology and management solutions to Federal government agencies.

OCFO manages two financial operation centers that process all financial transactions. We provide these services, on a cost reimbursable basis, both internally to GSA's Services and General Management Functions, and externally to other governmental agencies and commissions. Pursuant to our goal to become a government-wide leader in these business offerings, we are working to achieve efficiencies by streamlining financial transaction processing; during FY 2007, OCFO completed an initiative that mapped financial processes required to perform accounts receivable, accounts payable, asset management, cash and disbursement operations, and financial reporting services. During FY 2008, we will begin the identification of potential process improvements and execute changes to reduce related process costs in the financial operation centers.

Beginning in FY 2006, OCFO focused on implementing the latest A-123 policy management and internal control requirements throughout GSA's nationwide programs. This implementation will continue through FY 2009. To achieve these new mandatory government-wide requirements, the OCFO is conducting risk assessments for all GSA programs, incorporating more rigorous testing procedures into internal control reviews, and tracking implementation of internal control review recommendations. The Internal Control & Audit Follow-up Division's Assurance Statement and Internal Control System (BASICS) became operational in 2007. To determine whether control objectives are being met, BASICS asks each reviewer to test a pre-determined number of internal controls. BASICS assists the reviewer in the methods available to conduct the test (inquiry, observation, examination, and re-performance). Typically, reviewers test controls by examination and are instructed in the two methods of selecting the sample records to be reviewed (judgmental sampling and statistical sampling). OCFO is providing awareness and educational training on the internal control program requirements and systems enhancements. Establishment of a fully functional internal controls database provides GSA employees with a central location to electronically complete assurance statements, risk assessments, and internal control reviews. This database is operational and also provides reporting tools such as the GSA Internal Control Plan and assurance statement analysis.

Financial Management Systems

Over the next three years, OCFO will transition the final four core financial applications (asset accounting, accounts receivable and billing, credit card accounts payable, and inventory management) from the legacy mainframe to the new environment within the Pegasys financial system. This migration will complete the modernization of the core financial system for GSA, will align with GSA and CFO goals, and will reduce costs and lower system risk. To do so, OCFO must unify GSA's financial management systems operations consistent with the Financial Management Enterprise Architecture (FMEA), replace remaining legacy financial systems modules, simplify Financial Management (FM) Information Access, and offer a high-quality delivery of services that meet GSA customer requirements. During this same time period, we

will update the Pegasys system to address emerging requirements from OMB and the E-Gov office. In addition, we will continue to manage emerging requirements for systems IT security and quality assurance. Financial systems initiatives underway or planned:

During FY 2008:

- Implement the new asset accounting module as the next step to replacing the legacy NEAR system through the procurement of a new accounts receivable and billing solution and begin the implementation to transition functionality from the legacy NEAR system
- Develop a data management and reporting strategy and begin the implementation of a single financial data warehouse. This will contain, consolidate, and integrate reporting information from production and feeder financial systems with a focus on GSA-wide financial and business reports and financial data and support the CFO's vision of "good data in the system all the time" by creating a single reporting entity
- Migrate financial reporting to the Business Objects software and begin development of executive level "dashboard" reports
- Initiate the planning and procurement phase of the next major Pegasys upgrade

In FY 2009, the OCFO will implement the Pegasys system upgrade through 2010 and continue the migration to a new accounts receivable and billing solution. The plan is to replace and implement all NEAR applications with modules and sub-applications predicated on business process reengineering and integrated with the GSA Enterprise Architecture. This will provide an efficient and effective way to collect GSA revenues and streamline operations by consolidating, storing, and processing financial data under a single platform. OCFO expects the transition out of NEAR to be completed by 2011.

Long-Term Outcome Goal: Deliver timely and accurate financial information and performance management policies and services needed for management decision-making and financial reporting.

Performance Goal: Increase the efficiency of the payment of vendor invoices through electronic receipt and process streamlining

Performance Measure: Interest Penalties Paid

In accordance with the Prompt Payment Act, all Federal government agencies must pay valid invoices within 30 days unless the terms of the contract specify a different schedule. Interest penalties are due if payment is later than 30 days. Receiving invoices electronically shortens processing time, enabling GSA to make payment within the 30 day window and decrease the amount paid in interest penalties.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
\$574,462	\$452,014	\$400,000	\$360,000
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
\$330,000	\$315,000	\$300,000	\$285,000

Chief Human Capital Officer (CHCO)

The Office of the Chief Human Capital Officer's (CHCO's) mission is to contribute to GSA's business success by providing human capital management strategies, policies, advice, information, services, and solutions consistent with merit system principles. In order to remain focused on this mission, the CHCO will continue to lead GSA's implementation of the Strategic Management of Human Capital on the President's Management Agenda (PMA) and the achievement of specific PMA Scorecard objectives, as well as other agency-specific objectives in GSA's Human Capital Strategic Plan (HCSP). During FY 2008, the CHCO will continue to support the initiatives outlined in the President's Management Agenda. The CHCO will increase its focus on accountability and ensure that government-wide human resources regulations are carried out in an effective and consistent manner.

Depending on the availability of funds, the CHCO will implement the information technology strategy and priorities established in previous years, and make adjustments based upon changes in customer needs, the external environment, and the Federal HR Line of Business (HRLoB) initiative. Some e-HR initiatives (including the Electronic Official Personnel Folder (eOPF), and the Retirement System Modernization) are in the implementation stage.

The goal of the CHCO is transformation to an organization that is more focused on providing human capital solutions to ensure GSA's business success. Through the continued implementation and refinement of its own human capital strategies, the CHCO will continue to refocus its workforce to provide human capital solutions to meet customers' needs. The CHCO will continue to enhance its training, recruitment, placement, and outplacement programs to help GSA acquire and develop the needed skills and talent identified in human capital programs. The CHCO will continue to transform business processes across all Central Office and Regional Human Resources Offices to improve internal efficiency and services to customers and, at the same time, continue to improve the accuracy and availability of information needed in the strategic management of human capital. The CHCO will improve its national organization performance measures.

Long-Term Outcome Goals: The CHCO's long term strategy is to achieve the seven goals of GSA's Human Capital Strategic Plan, which include:

- Ensure strategic and organizational alignment
- Ensure continuity and quality of executive leadership
- Promote a diverse workforce
- Create a culture that motivates employees to high performance
- Promote a culture and climate of knowledge sharing and continuous learning improvement
- Provide a working environment where employees can be most productive

Performance Goal: Compete for and retain a workforce that is talented and effectively deployed

Performance Measure: Number of days to fill a vacancy

In a very competitive employment market, the ability to quickly fill a vacancy with qualified and talented employees directly supports GSA's strategic human capital goals, including strategic and organizational alignment, talent, and diversity of the workforce, which all ultimately impacts GSA ability to retain its current workforce. The number of days to fill a vacancy is an indicator of success in this area. This target is set by Office of Personnel Management and is subject to change in FY 2008 and beyond.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
31 days	29 days	45 days	45 days
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
45 days	45 days	45 days	45 days

Performance Goal: Create a culture that motivates employees to high performance

Performance Measure: Percentage of employees that have individual performance plans and receive ratings at end of rating cycle

GSA set a goal of 95% of our employees having individual performance plans during each rating cycle. For the last two years GSA has exceeded our goal. In FY 2006, 96%, and in FY 2007, 97% of our employees had performance plans and received performance ratings based on those plans.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
96%	97%	95%	95%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
95%	95%	95%	95%

Chief Information Officer (CIO)

The mission of the Chief Information Officer (CIO) is to provide high quality, enterprise IT services and solutions at best value by leveraging IT resources to support GSA business needs and electronic government. CIO provides six major services to GSA and its external customers. They are: 1) Enterprise-wide IT infrastructure services, 2) IT portfolio management (Capital Planning and Investment Control), 3) Management of IT security programs, 4) Enterprise architecture linking business to IT, 5) IT leadership, and 6) Integration and alignment of the E-Gov and Line of Business initiatives. These services are provided through two major business lines: IT Direction and Management, and Enterprise Infrastructure Operations (EIO).

CIO coordinates the alignment of the existing IT portfolio to the goals, objectives, and target vision of the President's cross agency eGovernment initiatives and lines of businesses (LoBs). CIO also coordinates GSA's managing partner initiatives and LoBs to ensure "One GSA Voice" and find opportunities for collaboration.

IT Direction and Management Support

Provide a secure IT environment: Ensure GSA's information technology systems operate within an acceptable level of risk. This includes creating, updating, and maintaining the agency-wide cyber security program.

Improve development and support of CIO Enterprise Applications: Manage enterprise and Government-wide applications more consistently by placing them under a single organization that provides business management and technical management services.

Improve IT policy and compliance: Ensure GSA's IT policies and directives are current and proper compliance processes are in place for core IT policies, 508, and records management. Coordinate the use of GSA-wide internal IT acquisition vehicles and provide technical guidance and requirements definitions for enterprise IT services.

Align business and IT strategy using Enterprise Architecture: Implement architecture related initiatives in GSA's IT Strategic Plan.

Improve IT capital planning and investment control: Effective management, operation, and monitoring of the GSA enterprise-wide IT portfolio is a critical component of achieving OCIO's long term objective. Core elements to accomplish this strategy include continuous project management (PM) assessment of investment results (Cost/Schedule/Performance), periodic formal reviews (Integrated Baseline Reviews/SDLC Milestone Reviews/Quarterly Performance Reviews/Post Implementation Reviews), and more active investment monitoring by established Service and Staff Offices and agency governance bodies, and increased integration of the capital planning Select Phase with the agency budget processes. To ensure adequate project management over agency IT investments, GSA will continue validating newly appointed project managers for our major and non-major systems, to include skills assessments and PM training.

Support the President's eGov initiatives: Provide direct management, consultation and oversight for achieving the President's Management Agenda (PMA) E-Government "Green" standards for success. This includes implementing all the milestones in GSA's E-Government implementation plan, Scorecard, and Proud to be every quarter. OMB views these plans and major milestones as critical to the success of the E-Gov element of the PMA.

Implement IT Human Capital Plan: CIO will assist CHCO with implementing the GSA-wide IT Human Capital Plan.

Improve CIO associate engagement: Enhance the overall CIO associate workplace environment by assuring that associates clearly know what is expected, have the materials to do their jobs, are given the opportunity to grow, and are recognized for good performance.

Long-Term Outcome Goal: Ensure GSA's information technology investments increase Federal productivity, customer satisfaction, and legal compliance.

Performance Goal: Provide a secure IT environment

Performance Measure: Percentage certification and accreditation completed

In order to provide a secure IT environment, all GSA IT systems must be assessed for proper implementation of security controls (i.e. Certification). In addition, an authorizing official must sign off on the IT system, ensuring that it is operating within an acceptable level of risk (i.e. Accreditation). Therefore, maintaining a performance measure of 100 percent certification and accreditation of IT systems is important in providing a secure IT environment.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
100%	100%	100%	100%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
100%	100%	100%	100%

Performance Goal: Align business and IT strategy using Enterprise Architecture

Performance Measure: # Major/Non Major DME Projects Identified in EA Transition Strategy and Sequence Plan

The GSA EA Transition Strategy and Sequence Plan captures line-of-sight from agency strategic intent through investment portfolio outcome. The EA Transition Strategy and Sequence Plan is a core document that GSA provides to OMB to support its annual Enterprise Architecture assessment that is reported as part of the President's Management Agenda. The FY 2007 performance measure is consistent with the OMB objective. In FY 2007, there were 82 total investments (26 major and 56 non-major) in the GSA portfolio. The Transition Strategy and Sequence Plan addressed 88.5% of major systems (23 out of 26) and 5 non-major systems.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
n/a	34.2%	30%	50%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
75%	80%	90%	100%

Performance Goal: Improve IT capital planning and investment control

Performance Measure: Percentage of major IT investment business cases rated highly by OMB

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
100%	100%	100%	100%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
100%	100%	100%	100%

Enterprise Infrastructure Operations (EIO)

The overall strategy of the Office of Enterprise Infrastructure Operations (EIO) is to establish and sustain effective and efficient managed life cycle support of GSA's IT Infrastructure services. CIO will implement an IT infrastructure that is consistent with industry best practices and a comprehensive solution for delivery and consistent and continuous improvement of infrastructure technology services. The specific objectives associated with this strategy include:

- Achieve greater return on IT investment through IT consolidation and effective management of enterprise IT resources.
- Achieve consistent IT service delivery through adaptation of the Information Technology Infrastructure Library (ITIL) framework, which focuses on process standardization.
- Provide transparent monitoring and reporting of IT services using industry standard taxonomies as recommended by commercial best practices and industry experts.
- Strengthen and standardize IT management within the Agency through the use of an Enterprise Resource Management (ERM) process which provides an integrated support model for asset management, help desk ticket processing, remote control support features, automated software deployment, and a self help knowledgebase.

Long-Term Outcome Goal: Provide GSA with a secure and dependable information technology infrastructure scaled to effectively and efficiently support GSA's business needs. Create a more effective and efficient agency that will enhance its ability to deliver goods and services at best value, improve GSA's capacity to anticipate customer needs, and sharpen its focus on providing expert solutions.

Performance Goal: Provide reliable and cost effective IT infrastructure

Performance Measure: ITIL Processes Adopted

The IT Infrastructure Library (ITIL) is a series of documents that are used to aid the implementation of a lifecycle framework for IT Service Management. Developing and adopting a standard repeatable process in managing our environment will enable a reliable infrastructure. This measure divides the number of individual ITIL processes adopted by the total number of relevant ITIL infrastructure processes within the given year.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
n/a	n/a	15%	20%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
25%	30%	40%	60%

Performance Measure: IT Service Desk Responsiveness.

Measure the responsiveness of our service desk in terms of time taken to answer all service desk calls. Achieving responsiveness metrics will ensure users reach a "live" person at the service desk providing a reliable and responsive service desk infrastructure. This measure is calculated by dividing the total number of all service desk calls answered by an agent within 30 seconds by the total number of calls. Data is obtained directly from the GSA ACD switch.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
n/a	96.73%	96%	96%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
96%	96%	96%	96%

Performance Measure: IT Service Desk First Call Resolution.

Measure the effectiveness of our service desk in terms of first call resolution. Achieving first call resolution rates will reduce the number of local support tickets and improve infrastructure operational efficiencies. This measure is calculated by dividing the total number of service desk calls resolved on the first contract by the total number of resolvable calls.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
n/a	54.52%	60%	70%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
75%	75%	75%	75%

Performance Measure: IT Local Support Resolution

Measure the effectiveness for resolving local infrastructure problems. Achieving local on-site resolution rates will improve customer satisfaction and ensure a reliable infrastructure. This measure is calculated by dividing the total number of issues resolved within the target by the total number of local support incidents. In FY 2008 our goal is to achieve an 85% resolution rate for all local support problems

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
n/a	59.11%	85%	95%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
95%	95%	95%	95%

Performance Measure: IT Network and Server Availability.

Measure the availability of our IT infrastructure environment for key services such as LAN/WAN, remote access, e-mail, and blackberry. Achieving availability metrics ensures GSA business is not interrupted which, in turn enables a reliable infrastructure. This measure is calculated by dividing the total uptime (in hours) of our core infrastructure services by the total number of hours in the reporting period (less scheduled downtime).

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
n/a	99.77%	98.27%	98.27%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
98.27%	98.27%	98.27%	98.27%

Other Staff Offices

The **Chief Acquisition Officer (CAO)** has agency-wide responsibility for planning, directing, and controlling functions that affect all GSA contracting activities. It is responsible for establishing and maintaining GSA's acquisition policies, regulations, guidance and procedures through issuance of the General Services Acquisition Manual and other policy documents. It establishes and monitors GSA's contracting activities to ensure compliance with applicable statutes, regulations, directives; and performance measures for GSA's acquisition system. It conducts procurement management reviews of buying activities, and also determines non-Federal entities' eligibility to use GSA sources of supply. It performs the debarment and suspension functions, the agency protest function, the agency ombudsmen function and serves as the Head of Contracting Activity for GSA. CAO conducts annual procurement management reviews to monitor and review GSA's Regional Office contractual and other procurement activities to ensure compliance with applicable procurement statutes, regulations and directives.

In addition to its acquisition policy mission, CAO has both government-wide and GSA-wide responsibilities for ensuring that the Acquisition Workforce is adequately trained, and meets educational qualification standards. Its government-wide activities are funded out of the Government-wide Policy (GP) appropriation. CAO manages the Federal Acquisition Institute (funded by GP) and the GSA acquisition workforce development programs (funded by the WCF) and establishes and administers program such as the Contracting Officer Warrant Program and 1102 Occupational Certification Program to support this important mission.

GSA's **Regional Acquisition Management (RAM)** staffs are located in the GSA Regional Offices and are responsible for monitoring and reviewing GSA Regional Office contractual and other procurement activities to ensure compliance with applicable procurement statutes, regulations and directives in conjunction with the Office of the Chief Acquisition Officer.

The **Office of General Counsel (OGC)** provides sound and timely legal support to GSA's programs in areas such as contracting, information technology, travel and transportation, E-Government initiatives, disposal of government property, bankruptcy, real estate, construction, historic preservation, leasing, environmental issues, telecommunications, litigation, personnel and labor relations, equal employment opportunity (EEO), appropriations, finance, the Freedom of Information Act, the Privacy Act, and the Federal Advisory Committee Act. OGC also supports GSA's responses to Congressional inquiries, develops and manages GSA's ethics program and supports the agency's alternative dispute resolution efforts.

The **Office of Civil Rights (OCR)** and regional counterparts are responsible for implementing both the internal and external Civil Rights Programs at GSA. The internal civil rights program ensures equal employment opportunity for all GSA associates and applicants for employment on the basis of sex, race, color, national origin, religion, disability, age (40 and over), and retaliation for protected EEO activity. The internal civil rights program processes EEO complaints of discrimination pursuant to 29 C.F.R. Part 1614. The external civil rights program ensures nondiscrimination on the basis of race, color, sex, age (40 and over), national origin, and disability by recipients of GSA's Federal Financial Assistance and Federally Conducted Programs. Both the internal and external civil rights programs have enforcement and prevention as the cornerstones of their programs.

The **Office of Emergency Response and Recovery (OERR)** is responsible for the GSA Nationwide Continuity of Operations Program (COOP) and the GSA Interagency Emergency Response Program. OERR sets nationwide GSA Emergency Management policies, procedures, and guidance for COOP and Emergency Response activities. OERR funding is split between the Operating Expenses appropriation and the Working Capital Fund: Funding through the Working Capital Fund supports our own Continuity of Operations by developing agency-wide policies, plans and procedures, support and functioning as the on-the-ground liaison between GSA field organizations and headquarters leadership elements, and developing and implementing agency-wide disaster readiness programs. This mission is required by the National Continuity Policy (HSPD-20/NSPD-51) and directly supports our own responsibilities for Continuity of Operations our ability to recover and perform our essential functions. OERR is also funded from Operating Expenses appropriation, to participate in government-wide disaster preparedness and assistance to other agencies through the National Response Framework Plan.

The **Office of Performance Improvement (OPI)** tracks and analyzes GSA agency-wide performance by monitoring Service and Staff Office performance measures and also identifies and directs GSA's performance improvement planning initiatives by ensuring that there is a robust and rigorous process in place to identify, develop and execute changes necessary to achieve performance improvements. OPI directs and oversees the competitive sourcing process. Also, OPI is responsible for facilitating the successful implementation of the six management agenda items included in the President's Management Agenda (PMA) and ensures PMA goals and milestones are met by providing technical and analytical performance measurement advice and counsel to GSA's decision makers.

THIS PAGE INTENTIONALLY LEFT BLANK

U.S. General Services Administration

MANDATORY APPROPRIATIONS

Fiscal Year 2009 Budget Request

CONTENTS

Transportation Audit Contracts and Contract Administration	2
Program Financing	2
Explanation of Changes	3
Amounts Available for Obligation	4
Obligations by Object Classification	5
Program Description.....	6
Program Performance Information	7
Program Assessment Rating Tool (PART) Review	10
Acquisition Workforce Training Fund.....	12
Program Financing	12
Amounts Available for Obligation	13
Program Description.....	14
Obligations by Object Classification	14
Expenses, Disposal of Surplus Real and Related Personal Property	15
Program Financing	15
Obligations by Object Classification	15
Amounts Available for Obligation	16
Obligations by Program Activity.....	17
Program Performance Information	18
Program Assessment Rating Tool (PART) review	22

Transportation Audit Contracts and Contract Administration

Program Financing

The Transportation Audits program is a mandatory function which recovers overpayments to carriers for Government moves under rate and service agreements that are established by GSA or by other Federal agency traffic managers. Program expenses are financed from overcharges collected from carriers as a result of post-payment audits that compare the rates charged by the carriers to the rates agreed upon. This account is a permanent, indefinite appropriation that does not require annual Congressional action.

In FY 2007, this program returned \$0.5 million to the U.S. Treasury after covering current year operating expenses of \$11 million.

The FY 2009 budget requests \$500,000 less than the FY 2008 operating level. The FY 2009 request includes \$795,000 in savings resulting from increased use of automation in the audit process. Electronic audits as a percentage of total audits continues to climb and reached 95.9% of total audits in FY 2007. Process improvements made possible by new technology have reduced contract costs, resulting in permanent cost savings to the government and the American taxpayer.

Explanation of Changes

(Dollars in Thousands)

	FTE	Budget Authority
2008.....	61.0	\$11,500
2009.....	61.0	\$11,000
Net Change.....	0.0	-\$500

	FTE	Budget Authority
<i>Maintaining Current Levels:</i>		
Annual Pay Increase		\$149
Inflation		\$146
Subtotal, Maintaining Current Levels.....		\$295
<i>Program Decreases:</i>		
Efficiency Savings.....		-\$795
Net change	0.0	-\$500

Transportation Audit Contracts and Contract Administration

Amounts Available for Obligation

(Dollars in Thousands)

Special Fund Receipts

	2007 Actual	2008 Current	2009 Request
Unobligated balance, start of year.....	\$18,932	\$19,770	\$19,270
Receipts.....	\$10,700	\$11,500	\$11,500
Excess collections returned to Treasury.....	<u>-\$500</u>	<u>-\$500</u>	<u>-\$500</u>
Net receipts.....	\$10,200	\$11,000	\$11,000
Unobligated balance expired from expenditure fund ..	\$3,138	\$0	\$0
Appropriation to the expenditure fund.....	<u>-\$12,500</u>	<u>-\$11,500</u>	<u>-\$11,000</u>
Unobligated balance, end of year.....	\$19,770	\$19,270	\$19,270

Special Fund Expenditures

	2007 Actual	2008 Current	2009 Request
Unobligated balance, start of year.....	\$14,235	\$13,574	\$13,574
Recovery of prior-year obligations.....	\$748	\$0	\$0
Mandatory authority:			
Appropriation.....	\$12,500	\$11,500	\$11,000
Unobligated balance, expiring.....	-\$3,138	\$0	\$0
Unobligated balance, end of year.....	<u>-\$13,574</u>	<u>-\$13,574</u>	<u>-\$13,574</u>
Total obligations.....	<u>\$10,771</u>	<u>\$11,500</u>	<u>\$11,000</u>
<i>Net Outlays</i>	<i>\$10,000</i>	<i>\$11,000</i>	<i>\$10,000</i>

Obligations by Object Classification
(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Request
11.1 Full-time, permanent.....	3,315	4,108	4,231
11.5 Other personnel compensation.....	762	76	78
12.1 Civilian personnel benefits.....	751	791	815
13.0 Benefits for former personnel.....	0	0	0
21.0 Travel and transportation of persons.....	40	43	44
22.0 Transportation of things.....	1	1	1
23.1 Rental payments to GSA.....	329	267	269
23.3 Communications and utilities.....	3	2	2
Subtotal, Rent, communications & utilities...	\$332	\$269	\$271
24.0 Printing and reproduction.....	1	1	1
25.2 Other services.....	4,586	3,259	2,531
25.3 Goods & services from Gov't accounts.....	950	2,616	2,684
Subtotal, Contractual services.....	\$5,536	\$5,875	\$5,215
26.0 Supplies and materials.....	32	335	343
31.0 Equipment.....	1	1	1
99.0 Total obligations.....	\$10,771	\$11,500	\$11,000
Subtotal, PC&B.....	\$4,828	\$4,975	\$5,124
Subtotal, Non-labor.....	5,943	6,525	5,876

Transportation Audit Contracts and Contract Administration

Program Description

The Transportation Audits program is managed by the Federal Acquisition Service (FAS), as a part of GSA's Transportation Management programs, detecting millions of dollars in overcharges. Transportation Audits shares the long-term goals of GSA's Transportation Management programs, and was reassessed with these programs in the FY 2006 OMB PART process.

Strategies adopted by the program include GSA working with agency payment offices, carriers and audit contractors to increase the number of electronic audits. This will help in achieving shorter cycle times for handling protests and claims. Currently, the benchmark to resolve protests and claims is approximately six months. Through converting to electronic audits and upgrading systems' capabilities, the timeframe will be reduced significantly as it will be possible to generate monthly reports to monitor the handling of claims and expedite the resolution of outstanding claims. The incorporation of improved technology into the business processes will not only create efficiencies in the time to complete an audit but will also allow for more intensive program management of current operating procedures that will lead to procedural improvements.

These strategies and key actions will help the Transportation Audits program improve its operating efficiency and save agencies money through prepayment audits and the recovery of funds from overpayment through post-payment audits. The funds recovered through post-payment audits in excess of expenses are returned to the U.S. Treasury, benefiting the taxpayer.

Program Performance Information

This section presents selected program performance information, including GPRA goals, objectives, measures and performance targets and results.

Long-term Outcome Goal: Provide end-to-end fully integrated management system/solutions to increase value for agency customers.

Performance Goal: By FY 2008, as part of overall automation and streamlining of transportation processes, attain and sustain percentage of electronic audits at 95% gradually increasing to 98% by FY 2012.

This goal focuses on increasing the number of audits that are conducted electronically. The achievement of this goal requires the incorporation of automated process improvements and the adoption of technology. Two performance measures will be used to monitor the success of this goal, these measures are discussed below.

Performance Measure: Percent of audits performed electronically.

This measure will track the number of audits performed electronically relative to the entire population of audits conducted over the same period. Increases in the percentage of audits performed electronically will indicate the success of this goal.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
92.4%	95.9%	97%	97%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
97.5%	97.5%	98%	98%

Performance Measure: Percent of claims processed within 120 days.

This measure will track the number of claims processed within 120 days relative to the total number of claims processed. Increases in the number of claims processed within 120 days will indicate the success of this goal.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
79%	75.4%	77%	79%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
90.5%	91%	91.5%	92%

Transportation Audit Contracts and Contract Administration

GSA TRANSPORTATION

(Dollars in Thousands)

Long Term Outcome Goal

Performance Goals	Performance Measure
-------------------	---------------------

Provide end-to-end fully integrated management system/solutions to increase value for agency customers

Increase customer satisfaction	External customer satisfaction survey
Reduce program operating costs	Direct costs as a percent of gross margin
Maximize customer savings through the use of GSA Transportation programs	Freight savings
	Household Goods savings
	Express and Ground Domestic Delivery Services Savings - FSSI.

Transportation Audits appropriation

By FY 08, as part of overall automation and streamlining of transportation processes, attain and sustain percentage of electronic audits at 95% gradually increasing to 98%	Percent of audits performed electronically
	Percent of claims processed within 120 days

ASF Allocated Costs
Program Share of Other Cost of Operations
Program Share of GSA Corporate Expenses
Transportation Audits Program Share of GSA Corporate Expenses
Transportation Audits Allocated Appropriated Funds
Total
Total, Acquisition Service Fund
Total, Transportation Audits
Total

U.S. General Services Administration
Mandatory Appropriations

FY 2007 Actual		FY 2008 Current		FY 2009 Request		Change FY08 to FY09	
Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
76	\$ 835	77.5	\$ 1,076	77.6	\$ 1,102	0.1	\$ 26
41.4%	\$ 2,523	47%	\$ 3,252	46.5%	\$ 3,330	-0.5%	\$ 78
25%	\$ 838	25.5%	\$ 1,081	26%	\$ 1,107	0.50%	\$ 26
6%	\$ 838	6.5%	\$ 1,081	7%	\$ 1,107	0.50%	\$ 26
62.2%	\$ 838	62.4%	\$ 1,081	62.6%	\$ 1,107	0.2%	\$ 26
95.9%	\$ 4,830	97.0%	\$ 5,392	97.0%	\$ 5,134	0.00%	\$ (258)
75%	\$ 4,830	77%	\$ 5,392	79%	\$ 5,134	2.00%	\$ (258)
	\$ 5,872		\$ 7,571		\$ 7,753		\$ 182
	\$ 388		\$ 552		\$ 566		\$ 14
	\$ 1,159		\$ 1,596		\$ 1,900		\$ 304
	\$ 1,111		\$ 716		\$ 732		\$ 16
	\$ 9,660		\$ 10,784		\$ 10,268		\$ (516)
	\$ 18,190		\$ 21,219		\$ 21,219		\$ -
	\$ 7,419		\$ 9,719		\$ 10,219		\$ 500
	\$ 10,771		\$ 11,500		\$ 11,000		\$ (500)
	\$ 18,190		\$ 21,219		\$ 21,219		\$ -

Transportation Audit Contracts and Contract Administration

Program Assessment Rating Tool (PART) Review

The Federal Acquisition Service (FAS) and its predecessor organizations worked jointly with the office of Management and Budget (OMB) to review GSA's Transportation Management programs during the FY 2005 OMB PART cycle and rated the program "Results Not Demonstrated". GSA implemented a number of program improvements, and the program's rating improved to "Moderately Effective" when it was reassessed in the FY 2006 PART cycle. OMB recommended the following new actions to further improve program performance.

OMB recommendation: Reorganize GSA's transportation operational programs, including all related schedules, so that they are accountable to a single manager with responsibility only for the full range of those programs, including responsibility for determining the requirements.

GSA Action: The implementation of the FAS organization design will address this action item as business functions are aligned within portfolios based on the good or service being delivered to customers. Under the new organization, all transportation, travel, charge card and automotive acquisition support functions are consolidated under a single manager in the Travel, Motor Vehicle and Card Services (TMVCS) portfolio.

OMB recommendation: Implementing a process for obtaining an external, independent evaluation of GSA's transportation operational programs on a regular basis.

GSA Action: An outside consultant conducted an independent review of the household goods program, Centralized Household Goods Traffic Management Program (CHAMP), in the first quarter of FY 2006. The GSA Inspector General (OIG) completed a review of the Freight Management Program (FMP) in the third quarter of FY 2007. Transportation has contracted with a vendor to provide annual independent evaluations of GSA's transportation operational programs through FY 2011. During fourth quarter FY 2007, the contractor performed an independent evaluation of CHAMP's and FMP's effectiveness, benchmarked against commercial rates, and recommended program improvements. The results of both studies showed that both programs are effective and are providing savings to the Federal government. Recommendations were made to enhance program effectiveness, and GSA will thoroughly assess the recommendations and implement as required.

OMB recommendation: Develop a formal governance mechanism to assure that transportation operations and services offered by the Federal Acquisition Service (FAS) and the transportation policies set by the Office of Governmentwide Policy (OGP) are mutually supportive.

GSA Action: Establishment of a governance model and Executive Committee Membership will follow the implementation of the transportation management organization within the Federal Acquisition Service.

OMB recommendation: Modify all GSA government-wide contracts under which transportation services can be obtained to get the data necessary for OMB and OGP to provide proper oversight of agency transportation activities and spending.

GSA Action: A refreshed Schedule was completed in November to include basic reporting requirements. The schedule was again refreshed in June to include new services and Special Item Number (SINs). All contracts have been modified to incorporate new reporting requirements and the GRAB draft data elements. Another refresh to Schedule 48 solicitation is expected in FY08 which will incorporate the final data elements approved by the Executive Relocation Steering Committee (ERSC). The ERSC will define additional reporting requirements, thus dates offered are tentative until ERSC completes this task.

Acquisition Workforce Training Fund

Program Financing

The expenses of the Acquisition Workforce Training Fund (AWTF) are financed from a credit of 5% of the fees collected from civilian agencies under Government-wide Acquisition Contracts (GWACs), multi-agency contracts, and Multiple Award Schedules (MAS). The Services Acquisition Reform Act of 2003 (SARA), Title XIV of the National Defense Authorization Act for Fiscal Year 2004, authorized the AWTF, to ensure that the Federal acquisition workforce has the business acumen necessary to make effective decisions. The AWTF pays for training to foster a highly qualified workforce vested with the skills and perspectives it needs to function strategically in the changing environment of the twenty-first century. The Fund is managed by the Federal Acquisition Institute (FAI) at GSA and supports the training of the acquisition workforce of all civilian Federal agencies.

When the AWTF was first established, FAI spent considerable effort to develop the expanded training curriculum permitted by the new funding and prepare a strategy for delivering a higher level of training activity. AWTF funds were used to pay for this training-related developmental work. Since 2006, new training contracts have been in place and the delivery of training has increased dramatically. GSA has requested an increase of \$2,000 thousand in funding for the Governmentwide Policy appropriation to shift funding for FAI training support costs out of the AWTF and to focus AWTF spending exclusively on training delivery.

GSA anticipates estimated receipts of \$8,414 thousand in FY 2009; these collections offset an estimated \$8,414 thousand in obligations for acquisition training delivery.

Amounts Available for Obligation
(Dollars in Thousands)

Special Fund Receipts

	2007 Actual	2008 Current	2009 Request
Unobligated balance, start of year.....	\$0	\$1,557	\$1,557
New receipts.....	\$9,622	\$8,217	\$8,414
Appropriation to the expenditure fund.....	-\$8,065	-\$8,217	-\$8,414
Unobligated balance, end of year.....	\$1,557	\$1,557	\$1,557

Special Fund Expenditures

	2007 Actual	2008 Current	2009 Request
Unobligated balance, start of year.....	\$11,730	\$12,926	\$6,553
Mandatory authority:			
Appropriation.....	\$8,065	\$8,217	\$8,414
Unobligated balance, expiring.....	-\$71	\$0	\$0
Unobligated balance, end of year.....	-\$12,926	-\$6,553	-\$6,967
Total, obligations.....	\$6,798	\$14,590	\$8,000
<i>Net Outlays</i>	<i>\$9,146</i>	<i>\$8,646</i>	<i>\$8,904</i>

Acquisition Workforce Training Fund

Program Description

The OMB Office of Federal Procurement Policy (OFPP) works closely with the Chief Acquisition Officer's Council (CAOC), the Federal Acquisition Institute (FAI), and the Defense Acquisition University (DAU) to identify the activities that will be funded from the Acquisition Workforce Training Fund. GSA, under direct oversight of OFPP, manages the Fund through the Federal Acquisition Institute to develop training resources for the acquisition workforce of all executive agencies, except the Department of Defense. FAI uses the Fund to develop training resources needed to enable Federal acquisition professionals to transition to a service-oriented and technology-driven Federal market.

FAI and the AWTF provide the Federal acquisition workforce with vital training and development resources to improve the collective competency of the current and future acquisition workforce. These resources are critical to ensuring that civilian agencies are able to train, develop, and keep current their acquisition professionals.

Obligations by Object Classification

(Dollars in Thousands)

	2007 Actual	2008 Current	2009 Request
25.1 Advisory and assistance services.....	4,142	11,590	6,000
25.2 Other services.....	<u>2,656</u>	<u>3,000</u>	<u>2,000</u>
99.0 Total obligations.....	\$6,798	\$14,590	\$8,000

Expenses, Disposal of Surplus Real and Related Personal Property

Program Financing

Expenses, Disposal of Surplus Real and Related Personal Property is a permanent, indefinite appropriation authorized by section 204 (b) of the Federal Property and Administrative Services Act of 1949, as amended. Expenses are financed from receipts from the sale of surplus real property and from out-leasing to private parties of vacant space in government-owned buildings.

This account finances contractual services of appraisers, auctioneers, and brokers familiar with local real estate markets to accelerate the utilization or sale of surplus real property. It also covers the costs of surveying, advertising, environmental services, historic preservation services, highest and best use of property studies, property utilization studies and deed compliance inspections.

By statute, any receipts in excess of the requirements of the Fund shall be transferred out of the Fund and deposited into the Land and Water Conservation Fund of the Department of the Interior.

Obligations by Object Classification

(Dollars in Thousands)

	FY 2007 Actual	FY 2008 Current	FY 2009 Request
24.0 Printing and reproduction.....	\$17	\$350	\$350
25.2 Other Services.....	<u>3,343</u>	<u>10,474</u>	<u>10,743</u>
99.0 Obligations, appropriated.....	\$3,360	\$10,824	\$11,093
99.0 Obligations, reimbursable.....	<u>0</u>	<u>600</u>	<u>600</u>
99.9 Total obligations.....	\$3,360	\$11,424	\$11,693

U.S. General Services Administration
Mandatory Appropriations

Expenses, Disposal of Surplus Real and Related Personal Property

Amounts Available for Obligation

(Dollars in Thousands)

Special Fund Receipts

	2007 Actual	2008 Current	2009 Request
Unobligated balance, start of year.....	\$92,624	\$90,748	\$89,924
New receipts, outleasing.....	147	3,000	3,000
New receipts, real property disposal.....	3,406	12,000	12,000
Net receipts.....	\$3,553	\$15,000	\$15,000
Appropriation to the expenditure fund.....	-\$11,093	-\$10,824	-\$11,093
Transfer to Land and Water Fund, DOI.....	-\$2,069	-\$5,000	-\$4,000
Cancelled from expenditure fund.....	\$7,733	\$0	\$0
Unobligated balance, end of year.....	\$90,748	\$89,924	\$89,831

Special Fund Expenditures

	2007 Actual	2008 Current	2009 Request
Unobligated balance, start of year.....	\$0	\$0	\$0
Mandatory authority:			
Appropriation.....	\$11,093	\$10,824	\$11,093
Reimbursable authority:			
New Authority.....	\$0	\$600	\$600
Unobligated balance, expiring or withdrawn.....	-\$7,733	\$0	\$0
Total, obligations.....	\$3,360	\$11,424	\$11,693
<i>Net Outlays</i>	<i>\$3,154</i>	<i>\$10,608</i>	<i>\$10,871</i>

Obligations by Program Activity
(Dollars in Thousands)

	FY 2007 <u>Actual</u>	FY 2008 <u>Current</u>	FY 2009 <u>Request</u>
1. Disposal - Real Property:			
a. Appraisers, auctioneers, brokers fees, surveying			
Appropriated	\$1,069	\$3,159	\$3,259
Reimbursable	<u>0</u>	<u>240</u>	<u>240</u>
Subtotal, Appraisers.....	\$1,069	\$3,399	\$3,499
b. Advertising			
Appropriated	\$104	\$1,962	\$2,062
Reimbursable	<u>0</u>	<u>50</u>	<u>50</u>
Subtotal, Advertising.....	\$104	\$2,012	\$2,112
c. Environmental Services			
Appropriated	\$398	\$1,928	\$1,997
Reimbursable	<u>0</u>	<u>300</u>	<u>300</u>
Subtotal, Environmental Services.....	\$398	\$2,228	\$2,297
d. Historical Preservation Services			
Appropriated	\$137	\$1,760	\$1,760
Reimbursable	<u>0</u>	<u>10</u>	<u>10</u>
	\$137	\$1,770	\$1,770
e. Highest and best use of property studies; utilization of property studies; and deed compliance inspections			
Appropriated.....	\$1,445	\$1,500	\$1,500
Subtotal, Disposal of Real Property.....	\$3,153	\$10,909	\$11,178
2. Outleasing of Government-owned Space:			
a. Appraisers, auctioneers, brokers fees, surveying			
Appropriated	\$149	\$500	\$500
b. Advertising			
Appropriated	<u>58</u>	<u>15</u>	<u>15</u>
Subtotal, Outleasing.....	\$207	\$515	\$515
Total obligations.....	\$3,360	\$11,424	\$11,693
Obligations, appropriation.....	3,360	10,824	11,093
Obligations, reimbursable.....	0	600	600

Expenses, Disposal of Surplus Real and Related Personal Property

Program Performance Information

Long-Term Outcome Goal: To help Federal landholding agencies realize maximum utilization and efficiencies from their real property holdings and, when appropriate, to redeploy their un-needed properties to benefit the Federal Government and surrounding communities or to sell on the open market.

This long-term outcome goal is supported by two long-term outcome measures:

Long-term Measure: Sales proceeds as a percentage of estimated fair market value. The target for 2007, 2008, and 2009 is 120%.

Long-term Measure: Percentage of sales transactions equal to or greater than estimated fair market value. The target for 2007, 2008, and 2009 is 90%.

The Office of Real Property Disposal uses four annual performance goals and measures to gauge progress and performance:

1. **Performance Goal:** Award 95% of utilization and disposal property within 240 days for fiscal year 2009.

Performance Measure: Percentage of utilization and disposal property awarded within 240 days.

The utilization and disposal maximum theoretical time line of 240 days is comprised of 30 days for Federal Screenings, 60 days for Homeless Screenings, 90 days for Homeless Application and Approval Process, and 60 days for Negotiated Sales with Congressional Approval. The average number of utilization and disposal properties awarded within 240 days from FY 2001 to FY 2004 was 64%. RPD has established a target of 95% for FY 2007 and all proceeding years, to drive speedier dispositions.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
97%	100%	95%	95%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
95%	95%	95%	95%

2. **Performance Goal:** Award 100% of public sales within 170 days for fiscal year 2009.

Performance Measure: Percent of public sales awarded within 170 days.

Private sector data indicates that commercial properties average about 170 days in the sale process. RPD has set targets to meet or exceed the 170 day average 100% of the time from FY 2007 through FY 2009.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
100%	100%	100%	100%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
100%	100%	100%	100%

3. **Performance Goal:** Maintain “highly satisfied” ratings of 93% or higher on the Customer Transaction Satisfaction Survey by FY 2009.

Performance Measure: The percent of disposal transactions that “exceed” or “greatly exceed” customer expectations.

The Customer Transaction Satisfaction Survey measures the percent of customers who have graded the program at a 4 or 5 on a scale of 1 to 5, with 3 as “satisfactory”.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
97%	99%	93%	93%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
93%	93%	93%	93%

4. **Performance Goal:** Attain 1.08% cost of sales as a percentage of sales proceeds for reimbursable sales for fiscal year 2009.

Performance Measure: Cost of reimbursable sales as a percentage of sales proceeds.

This measure reports the total cost (including overhead) of reimbursable sales as a percentage of reimbursable sales proceeds. The out-year targets for this measure are based on a sliding scale calculated on normalized projected annual reimbursable sales of \$239.35M.

The majority of costs related to sales are fixed (e.g. appraisals) and not directly related to the sales price. Consequently, as the volume of sales increases there is not a direct increase to costs. Out-year targets of 1.08% were established in FY 2005, based on total sales of \$200M. Actual sales volumes will vary from the baseline, leading to variances in actual results from year-to-year. GSA is currently reviewing all of its external performance goals and measures and will revise targets or replace measures that do not match current performance or the current state of the program.

FY 06 Actual	FY 07 Actual	FY 08 Target	FY 09 Target
0.12%	0.53%	1.08%	1.08%
FY 10 Target	FY 11 Target	FY 12 Target	FY 13 Target
1.08%	1.08%	1.08%	1.08%

Program Outcome Measures
(Dollars in Thousands)

Expenses, Disposal of Surplus Real and Related Personal Property

Long Term Outcome Goal

To help Federal landholding agencies realize maximum utilization and efficiencies from their real property holdings and, when appropriate, to redeploy their unneeded properties to benefit the Federal government and surrounding communities or to sell on the open market.

Performance Goal	Performance Measure
Award 95% of utilization and donation (U&D) property within 240 days for fiscal year 2009.	Percentage of utilization and disposal property awarded within 240 days.
Award 100% of public sales within 170 days for fiscal year 2009.	Percent of public sales awarded within 170 days.
Maintain "highly satisfied" ratings of 93% or higher on the Customer Transactional Satisfaction Survey by FY 2009.	Percent of disposal transactions that "exceed" or "greatly exceed" customer expectations.
Attain 1.08% cost of sales as a percentage of sales proceeds for reimbursable sales for fiscal year 2009.	Cost of reimbursable sales as a percentage of sales proceeds.

Operating Expenses, Annual Appropriation.....
Operating Expenses, No-Year Appropriation ¹ ..
Operating Expenses, Reimbursable Funding.....
Subtotal, Operating Expenses.....
Expenses, Disposal Permanent Appropriation ..
Expenses, Disposal Reimbursable ..
Subtotal, Expenses, Disposal.....
Real Property Relocation Expenses.....
Total.....

¹ Includes Lorton and Governor's Island post-conveyance expenses.

U.S. General Services Administration
Mandatory Appropriations

Funding Source	FY 2007 Actual		FY 2008 Current		FY 2009 Request	
	Actual	Dollars	Target	Dollars	Target	Dollars
Operating Expenses Annual Appropriation	100%	\$11,916	95%	\$12,984	95%	\$13,404
Expenses, Disposal Appropriation		\$2,688		\$8,659		\$8,874
Subtotal.....		\$14,604		\$21,643		\$22,278
Operating Expenses Annual Appropriation	100%	\$2,979	95%	\$3,246	95%	\$3,337
Operating Expenses Reimbursable		\$1,280		\$5,750		\$5,750
Expenses, Disposal Appropriation		\$672		\$2,165		\$2,219
Expenses, Disposal Reimbursable		\$0		\$300		\$300
Subtotal.....		\$4,931		\$11,461		\$11,606
Operating Expenses Annual Appropriation	99%	\$275	93%	\$300	93%	\$325
Operating Expenses Reimbursable	0.53%	\$1,280	1.08%	\$5,750	1.08%	\$5,750
Expenses, Disposal Reimbursable		\$0		\$300		\$300
Subtotal.....		\$1,280		\$6,050		\$6,050
.....		\$15,170		\$16,530		\$17,066
.....		446		0		0
.....		<u>2,560</u>		<u>11,500</u>		<u>11,500</u>
.....		\$18,176		\$28,030		\$28,566
.....		\$3,360		\$10,824		\$11,093
.....		\$0		\$600		\$600
.....		\$3,360		\$11,424		\$11,693
.....		\$212		\$10,027		\$2,000
.....		\$21,748		\$49,481		\$42,259

Expenses, Disposal of Surplus Real and Related Personal Property

Program Assessment Rating Tool (PART) review

The Office of Management and Budget (OMB) and the Public Buildings Service (PBS) reviewed the Real Property Disposal program in the FY 2005 OMB PART review and rated it “Moderately Effective”. OMB recommended specific actions to improve the performance of the program. GSA has taken actions to improve program performance; these actions are discussed below.

OMB recommendation: The program has developed long-term outcome goals and efficiency measures with ambitious targets that support the purpose of the program. However, the program still needs to commission a regular, independent assessment of its performance. In addition, the program needs to implement a more formal way to hold contractors accountable for achieving program performance goals.

GSA Action: The Office of Real property Disposal has requested an independent review by the GSA Inspector General. Audit findings are expected at the end of FY 2008.

Administrative Provisions [delete] <u>insert</u>	Explanation
<p>[Sec. 520. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).]</p>	<p>GSA recommends deletion because it is unnecessary.</p> <p>40 USC 129 was superseded by later laws and was deleted from the US Code in 2002. GSA has permanent authority to provide space to wholly owned Government corporations and to credit the rental and other user charges to the Federal Buildings Fund. (40 U.S.C. 101(4)&(5); 581(hg) &(h); 582(a); 586(b) and 592(b).)</p>
<p>Sec. 520. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.</p>	<p>GSA requests that this provision be retained.</p>
<p>Sec. 521. Funds in the Federal Buildings Fund made available for fiscal year [2008] <u>2009</u> for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: Provided, That <u>notice of</u> any proposed transfers shall be [approved] <u>submitted</u> in advance [by] <u>to</u> the Committees on Appropriations.</p>	<p>The first requested change would update GSA reprogramming authority for the fiscal year of the request. GSA also requests authority to make necessary reprogrammings, subject to the <i>notification of</i> the Committees on Appropriations rather than seeking their advance approval. This change would allow GSA to adjust for changes in requirements in a more timely and responsive manner.</p>

U.S. General Services Administration
 Administrative Provisions

Administrative Provisions [delete] <u> insert</u>	Explanation
<p>Sec. 522. Except as otherwise provided in this title, [no funds made available by this Act shall be used to transmit a fiscal year 2009] <u> it is the sense of Congress that projects to be included in the 2010</u> request for United States Courthouse construction [that] <u> will:</u> (1) [does not] meet the design guide standards for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; [and] (2) [does not] reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan; <u> and</u> (3) <u> [</u> Provided, That the fiscal year 2009 <u> 2010</u> request must] be accompanied by a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.</p>	<p>GSA requests that this provision be retained.</p>
<p>Sec. 523. None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency that does not pay the rate per square foot assessment for space and services as determined by the General Services Administration in compliance with the Public Buildings Amendments Act of 1972 (Public Law 92–313).</p>	<p>GSA requests that this provision be retained.</p>

Administrative Provisions [delete] <u>insert</u>	Explanation
<p>Sec. 524. From funds made available under the heading "Federal Buildings Fund, Limitations on Availability of Revenue," claims against the Government of less than \$250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations.</p>	<p>GSA requests that this provision be retained.</p>
<p>[Sec. 526. No funds shall be used by the General Services Administration to reorganize its organizational structure without approval by the House and Senate Committees on Appropriations through an operating plan change.]</p>	<p>GSA requests that this provision be removed.</p>
<p>[Sec. 527. In any case in which the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate adopt a resolution granting lease authority pursuant to a prospectus transmitted to Congress by the Administrator of General Services under section 3307 of title 40, United States Code, the Administrator shall ensure that the delineated area of procurement is identical to the delineated area included in the prospectus for all lease agreements, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to each of such committees and the House and Senate Committees on Appropriations prior to exercising any lease authority provided in the resolution.]</p>	<p>GSA requests that this provision be removed.</p>

Administrative Provisions [delete] insert	Explanation
<p><u>Sec. 525. ENHANCED DISPOSALS THROUGH ASSET REDEPLOYMENT SERVICES--(a) Provision of Asset Utilization Services -- Section 572(a)(2) of title 40, United States Code, is amended—</u></p> <p><u>(1) by redesignating subparagraph (C) as subparagraph (D); and</u></p> <p><u>(2) by inserting after subparagraph (B) the following new subparagraph:</u></p> <p><u>“(C) Other Expenses.—From the fund described in paragraph (1), the Administrator may obligate an amount to pay for real property redeployment services provided to executive agencies.”.</u></p>	<p>Section 525 would amend 40 U.S.C. § 572 (a)(2) by designating current paragraph (2)(C) as paragraph (2)(D) and by adding a new paragraph (2)(C).</p> <p>The new paragraph would allow the Administrator to use amounts received as proceeds from sales of property to provide real property utilization services (such as highest and best use analysis, surveying, market research, utilization of space and determination of space needs) where there has not been a determination that the property is excess or surplus.</p> <p>Many agencies are unable to initiate the disposal process for underutilized property because they do not have the funds necessary to analyze their real property portfolios and take the initial steps required to declare property excess. This change authorizes GSA to provide real property utilization services to a broader range of properties than currently authorized, thereby assisting agencies in the identification and disposal of unneeded or nonperforming real property assets.</p>

Administrative Provisions [delete] insert	Explanation
<p><u>Sec. 526. Subsections (a) and (b)(1) of section 323 of Title 40, United States Code, are amended by striking "Consumer Information Center" and inserting "Federal Citizen Services"; subsection (a) is further amended by striking "consumer".</u></p>	<p>Section 526 would change the name of the Federal Citizen Information Center (FCIC) Fund from "Consumer Information Center Fund" to "Federal Citizen Services Fund" (FCS). Further, it would expand the purpose of the Fund by deleting "consumer" from the stated purpose as currently written: "... disseminating Federal Government consumer information to the public and for other related purposes."</p> <p>40 USC 323 was enacted in P.L. 98-63, in 1983; since then, it has been updated just once, in 1997. This provision would update the code to reflect the significant changes that have occurred to the program in the last 25 years. The Internet has allowed GSA to expand from a clearinghouse of paper brochures to a premier provider of government information, services and benefits over the Web.</p>

U.S. General Services Administration
Administrative Provisions

Administrative Provisions [delete] insert	Explanation
<p><u>Sec. 527. The Fund established at section 3173 of Title 40, United States Code, shall be available for obligations for the purposes set forth in Public Law 103-329, 108 Stat. 2403.</u></p>	<p>Section 527 would authorize the Working Capital Fund to operate within the limits established by Public Law 103-329 (Sept. 30, 1994), which expanded the authorized uses of the Fund.</p> <p>The additional authority provided by P.L. 103-329 was not included in the United States Code when Title 40 was recodified in 2002 by Public Law 107-217 (August 21, 2002).</p> <p>The purpose of Public Law 107-217 was to revise, codify, and enact without substantive change the authorities of the General Services Administration. Section 5(b)(1) of Public Law 107-217 specifically provided that, "This Act makes no substantive change in existing law and may not be construed as making a substantive change in existing law."</p> <p>Therefore, the provisions of P.L. 103-329 regarding the Working Capital Fund, which predated Public Law 107-217, should be reinstated in keeping with the intent of Public Law 107-217 and the ongoing practices of the GSA.</p>

U.S. General Services Administration

E-GOVERNMENT BENEFITS

Fiscal Year 2009 Budget Request

CONTENTS

GSA as Managing Partner	2
E-Authentication.....	4
E-Government Travel (ETS)	6
Federal Asset Sales (eFAS).....	9
Integrated Acquisition Environment (IAE)	11
USA Services.....	14
IT Infrastructure Line of Business (ITILoB).....	16
Financial Management Line of Business (FMLoB).....	18
GSA as Participating Partner	21
E-Rulemaking.....	21
E-Training	22
Recruitment One-Stop	22
Human Resources Management Line of Business (HR LoB)	22
Business Gateway Initiative	23
Enterprise Human Resources Integration	23
Geospatial Line of Business (GLOB)	24
Budget Formulation and Execution Line of Business (BFE LoB)	24

This section reports on the benefits realized and expected from Electronic Government (E-Gov) initiatives funded by GSA as the managing agency or through contributions to other agencies. This section is intended to comply with the reporting requirements provided in Section 737 of Public Law 110-161, the FY 2008 Consolidated Appropriations Act.

E-Gov initiatives are designed to make the Federal Government more citizen-centric and results oriented. E-Gov initiatives benefit multiple Federal agencies and are supported by the knowledge, experience and financial contributions of all benefiting agencies. The contributions of a particular Federal agency are typically characterized as “Managing Partner” or “Participating Partner”. Only one agency is selected to be the Managing Partner of an E-Gov initiative, and all other agencies involved in the initiative are considered Participating Partners. The Managing Partner coordinates a mutually agreed upon funding model and project plan with agency partners, then informs the Office of Management and Budget (OMB) of the budgetary requirements and agency milestones required to implement the plan.

Funding for each E-Gov initiative is reported as either *agency contributions* or *agency service fees*. Agency contributions (including in kind contributions) are the total value of cash and in kind contributions provided. The value of in kind contributions (including staff time, commodities, and equipment) are determined by the contributing agency. Service fees represent fees collected based on actual usage.

GSA as Managing Partner

GSA is a **Managing Partner** for seven E-Gov initiatives: (1) E-Authentication, (2) E-Gov Travel System (eTS), (3) E-Federal Asset Sales (eFAS), (4) Integrated Acquisition Environment (IAE), (5) USA Services, (6) Information Technology Infrastructure Initiative Line of Business (ITILoB), and (7) Financial Management Line of Business (FMLoB).

E-Gov initiatives provide the following benefits to Federal agencies, including GSA:

- Enhanced productivity as a result of improved information technology infrastructure, shared services, and automated processes;
- Improved productivity of Federal employees, leading to improved mission delivery by Federal agencies and higher performance levels for services provided by the Federal government;
- Cost savings from: (1) reducing the number of providers of duplicative or compatible administrative services across Federal agencies; and (2) aggregating purchases to leverage the buying power of the Federal government and obtain the lowest prices from industry; and
- Improved coordination and effectiveness government-wide as a result of enterprise-level standards for technology, common processes, and citizen-facing services.

Summary of Contributions, GSA as Managing Partner
(Dollars in Thousands)

FY 2008							
Source of Funding	E-Authentication	E-Travel	Federal Asset Sales (eFAS)	Integrated Acquisition Environment	USA Services	IT Infrastructure Initiative LoB	Financial Management LoB
Working Capital Fund*	\$ 132	\$ 855		\$ 1,991		\$ 20	\$ 44
Government-wide Policy				\$ 1,558			
Federal Citizen Services					\$ 7,876		
Acquisition Services Fund (ASF)		\$ 7,102	\$ 1,000			\$ 4,000	
Federal Buildings Fund (FBF)			\$ 668				
TOTAL GSA Funding	\$ 132	\$ 7,957	\$ 1,668	\$ 3,549	\$ 7,876	\$ 4,020	\$ 44
TOTAL GSA AS MANAGING PARTNER:							\$ 25,247

FY 2009							
Source of Funding	E-Authentication	E-Travel	eFederal Asset Sales (eFAS)	Integrated Acquisition Environment	USA Services	IT Infrastructure Initiative LoB	Financial Management LoB
Working Capital Fund*	\$ 889	\$ 800		\$ 1,736			\$ 44
Government-wide Policy				\$ 1,426			
Federal Citizen Services					\$ 8,075		
Acquisition Services Fund (ASF)		\$ 3,448	\$ 828			\$ 4,000	
Federal Buildings Fund (FBF)			\$ 552				
TOTAL GSA Funding	\$ 889	\$ 4,248	\$ 1,380	\$ 3,162	\$ 8,075	\$ 4,000	\$ 44
TOTAL GSA AS MANAGING PARTNER:							\$ 21,798

* Contributions from the GSA Working Capital Fund represent GSA fee-for-service payments to program management offices in the other GSA funds noted.

Further information on initiatives for which GSA is a managing partner can be found at the following website which will contain updated Exhibit 300's (Capital Asset Plans and Business Case Summaries): <http://www.gsa.gov/exhibit300>

E-Authentication

The E-Authentication solution provides a standardized means for citizens, businesses, and other governments to securely identify themselves when accessing U.S. Federal government online applications. It also allows agencies to accept trusted credentials (e.g., Public Key Infrastructure (PKI) certificates; user IDs/passwords) issued by other agencies and commercial organizations. E-Authentication helps Federal agencies mitigate the security and privacy risks associated with electronic government, and to control the costs of authenticating large numbers of users.

The U.S. E-Authentication Identity Federation was built and successfully launched in October 2005. The Federation counts as members all Government agency application owners and identity credential service providers (CSPs) that have adopted E-Authentication's set of agreements, standards and technologies, making identity portable across domains.

Key benefits include:

- Increased security and risk mitigation;
- Savings in time and money since agencies are not required to build their own identity authentication systems;
- A secure, convenient, standardized, easy-to-use approach to authentication and improved access to government services (e.g., single sign-on);
- Assured privacy protection; and
- Enhanced end-user experience.

In FY 2008, E-Authentication will move from an agency contribution business model to one based on a fee-for-service. In addition to the FY 2007 benefits, FY 2008 benefits include:

- Increased cost savings as membership in the Federation increases and economies of scale begin to be realized (e.g., decreased transaction costs); and
- Increased flexibility and choice in products and services as additional Federation credential service providers and other products and services are added to the GSA multiple award schedule for E-Authentication services.

Summary of Spending, E-Authentication
(Costs in Thousands)

	PY-1 and Earlier	PY 2007	CY 2008	BY 2009	Total
Planning					
Budgetary Resources	28,441	0	0	0	28,441
Outlays	7,670	0	0	0	7,670
Acquisition					
Budgetary Resources	222	0	100	104	426
Outlays	227	270	100	104	701
Operations & Maintenance					
Budgetary Resources	45,936	0	5,422	15,016	66,374
Outlays	36,285	9,121	10,833	16,641	72,880
Government FTE Costs (includes planning, acquisition, and operations & maintenance costs)					
Budgetary Resources	3,019	0	1,018	1,049	5,086
Outlays	3,019	0	1,018	1,049	5,086
TOTAL					
Budgetary Resources	\$77,618	\$0	\$6,540	\$16,169	\$100,327
<i>Outlays</i>	<i>47,202</i>	<i>9,391</i>	<i>11,951</i>	<i>17,794</i>	<i>86,337</i>

Summary of All Agency Contributions, E-Authentication
(Costs in Thousands)

Partner Agency Name	PY07	PY07 Fee-for-Service	CY08	CY Fee-for-Service	BY 09	BY Fee-for-Service
Agriculture, Department of	0	0	0	630	0	4,265
Commerce, Department of	0	0	0	224	0	366
Defense, Department of	0	0	0	30	0	70
Education, Department of	0	0	0	247	0	469
Energy, Department of	0	0	0	219	0	430
Environmental Protection Agency	0	0	0	104	0	202
General Services Administration	0	0	0	133	0	889
Health and Human Services, Department of	0	0	0	1,042	0	2,527
Homeland Security, Department of	0	0	0	291	0	583
Housing and Urban Development, Department of	0	0	0	376	0	339
Interior, Department of	0	0	0	133	0	285
International Assistance Programs	0	0	0	40	0	138
Justice, Department of	0	0	0	221	0	538
Labor, Department of	0	0	0	182	0	316
National Aeronautics and Space Administration	0	0	0	61	0	101
National Science Foundation	0	0	0	97	0	195
Nuclear Regulatory Commission	0	0	0	40	0	138
Office of Management and Budget	0	0	0	55	0	70
Office of Personnel Management	0	0	0	127	0	225
Small Business Administration	0	0	0	219	0	317
Social Security Administration	0	0	0	95	0	168
State, Department of	0	0	0	61	0	159
Transportation, Department of	0	0	0	1,452	0	1,772
Treasury, Department of	0	0	0	392	0	1,442
Veterans Affairs, Department of	0	0	0	70	0	168
TOTAL	0	0	0	6,540	0	16,169

Total cost from inception to FY 2007: \$77,618 thousand

E-Government Travel (ETS)

The E-Gov Travel System (ETS) standardizes, automates, and consolidates the Federal government's travel process in a Web-centric service, covering all steps of a travel transaction, from authorization and reservations to travel claims and voucher reconciliation. It eliminates the paper process still in place in many agencies, while leveraging administrative, financial and information technology best practices.

Key benefits include:

- Increased cost savings associated with overall reduction in Travel Management Center (TMC) transaction service fees;
- Advantageous strategic source pricing through cross-government purchasing agreements;
- Improved business process functionality as a result of streamlined travel policies and processes;
- Enhanced security and privacy controls for the protection of government and personal data; and
- Superior agency oversight and audit capabilities for Chief Financial Officers and executives, providing travel cost data and ability to analyze the execution of travel dollars by agency, program or geographic region.

ETS is a fully integrated, end-to-end travel solution. Program cost avoidance is realized by a reduction in the time spent by the traveler and manager in planning, arranging, authorizing, and approving travel, as well as a reduction in effort associated with post-travel reimbursement processing. Travelers also benefit from ETS' increased efficiency in the end-to-end electronic solution as their reimbursements are expedited.

Additional initiative savings are realized from the elimination of costly paper-based systems, the decommissioning of legacy travel systems and the reduction of agency overhead by consolidating the total number of travel contracts across the government. Prior to ETS, the estimated overall government-wide on-line adoption rate for travel reservations was below 5%. By FY 2009, all executive branch civilian agencies will be fully deployed or migrating to E-Gov Travel. The FY 2009 on-line adoption rate target is over 65%.

Summary of Spending, E-Government Travel

(Costs in Thousands)

	PY-1 and Earlier	PY 2007	CY 2008	BY 2009	Total
Planning					
Budgetary Resources	31,494	8,009	0	0	39,503
Outlays	31,494	8,009	0	0	39,503
Acquisition					
Budgetary Resources	0	0	0	0	0
Outlays	0	0	0	0	0
Operations & Maintenance					
Budgetary Resources	0	0	9,601	8,918	18,519
Outlays	0	0	9,601	8,918	18,519
Government FTE Costs (includes planning, acquisition, and operations & maintenance costs)					
Budgetary Resources	2,619	647	725	750	4,741
Outlays	2,619	647	725	750	4,741
TOTAL					
Budgetary Resources	\$34,113	\$8,656	\$10,326	\$9,668	\$62,763
<i>Outlays</i>	<i>34,113</i>	<i>8,656</i>	<i>10,326</i>	<i>9,668</i>	<i>62,763</i>

NOTE: This table reports the total cost of development and operations of the E-Gov Travel initiative. It includes agency contributions of \$2,062 thousand in FY 2007, \$3,224 thousand in FY 2008, and \$6,220 thousand in FY 2009. GSA collects agency contributions to finance the costs of the ETS initiative program management office. These costs include continued development of the E-Gov Travel System and agency migration support, which provides comprehensive advisory and consulting services to assist customer agencies with change management, technical functionality, security, and training as they migrate to the E-Gov Travel Service (ETS). Program costs not covered by agency contributions have been or will be absorbed within GSA's Acquisition Service Fund (ASF).

None of the costs reported on the following table of agency contributions – including GSA costs reported there – are included on the table above.

U.S. General Services Administration
E-Government Benefits

Summary of All Agency Contributions, E-Government Travel

(Costs in Thousands)

Partner Agency Name	PY07	PY07 Fee-for-Service	CY08	CY Fee-for-Service	BY09	BY Fee-for-Service
Agriculture, Department of	1,005	26	670	1,206	0	4,436
Commerce, Department of	730	13	389	230	34	1,642
Education, Department of	50	280	0	360	0	344
Energy, Department of	0	549	0	941	0	938
Environmental Protection Agency	470	704	0	585	0	1,328
General Services Administration	100	492	50	855	50	800
Health and Human Services, Department of	486	1,406	0	2,816	0	4,095
Homeland Security, Department of	661	615	0	39	0	2,876
Housing and Urban Development, Department of	0	369	0	478	0	472
Interior, Department of	589	1,612	1,193	10	0	1,547
International Assistance Programs	94	51	0	81	0	82
Justice, Department of	1,051	351	2,549	1,318	1,816	6,729
Labor, Department of	0	1,223	0	1,117	0	1,078
National Aeronautics and Space Administration	711	284	567	50	0	1,862
National Archives and Records Administration	0	61	0	66	0	62
National Science Foundation	0	166	0	164	0	150
Nuclear Regulatory Commission	30	96	0	249	0	358
Office of Personnel Management	640	136	0	349	0	335
Small Business Administration	100	7	0	20	0	98
Social Security Administration	1,500	259	750	0	750	548
State, Department of	564	659	400	135	48	900
Transportation, Department of	0	3,705	0	3,080	0	3,080
Treasury, Department of	212	2,423	62	2,038	0	6,504
Veterans Affairs, Department of	842	311	239	1,343	0	1,340
Total	9,834	15,798	6,869	17,532	2,698	41,604

Total cost from inception through 2007: \$42,769 thousand

NOTE: This table reports total cost to partner agencies, including internal costs for implementation and operation of ETS, and will not match the Summary of Spending table on the preceding page. The PY07, CY08, and BY09 partner contributions report in-kind contributions that each agency, including GSA, is investing internally for implementation and integration of ETS. Likewise, the Fee-For-Service columns include the amount that each agency, including GSA, is projected to pay directly to their ETS vendor for travel services. None of these funds go directly to GSA.

Federal Asset Sales (eFAS)

Federal Asset Sales is an E-Gov initiative designed to improve and optimize the way the Federal government disposes its assets. The initiative consolidates multiple Sales Centers for both real and personal property under a single portal to make it easier for citizens to search and buy assets. As of July 2006, four agencies were selected to become Sales Centers for personal property: GSA, the Department of Agriculture, the Department of Justice (U.S. Marshals Service), and the Department of Treasury. These Sales Centers will serve as sales outlets that other Federal agencies will be required to use to dispose of excess personal property. The eFAS portal is located on the web at www.govsales.gov and links all participating Sales Centers to a central website.

Key benefits include:

- Providing Federal agencies with a standardized mechanism to sell government-owned property. Additionally, it will enable agencies and bureaus with limited funds and resources to reach a broader customer base and obtain greater exposure of their assets. Automating the disposal process will reduce cycle time, saving storage and transportation expenses.
- Providing citizens with a single, user-friendly portal to search Federal assets. GovSales.gov reduces the number of websites and mouse “clicks” previously required to search assets for sale by the Federal community, making it easier to find assets and increase assets that are sold by the Federal government.
- Providing multiple easy-to-use citizen access points to save the public time. The time citizens used to spend searching for the correct agency or finding information can be dedicated to activities of greater value to the citizen.

eFAS is currently funded through fees from sales. In October 2007, Managing Partner responsibilities will move from GSA's Office of Government-wide Policy to the Federal Acquisition Service. By the end of FY 2007, all 26 scorecard agencies had adopted the use of a selected Sales Center and migrated to selling their property through GovSales.gov, thereby reducing costs associated with asset sales across the government.

Program goals for FY 2008 are: (1) Bring other Federal sales solutions under the eFAS umbrella; (2) Migrate other Agencies beyond the 26 scorecard Agencies to a selected Sales Center; and (3) Complete the development of a strategic and tactical plan for the initiative

In FY 2009, eFAS will implement the strategic and tactical plans developed during FY 2008. FY 2009 will also mark the first complete evaluation of existing Sales Centers.

U.S. General Services Administration
E-Government Benefits

Summary of Spending, Federal Asset Sales

(Costs in Thousands)

	PY-1 and Earlier	PY 2007	CY 2008	BY 2009	Total
Planning					
Budgetary Resources	12,789	31,209	0	0	43,998
Outlays	12,789	31,209	0	0	43,998
Acquisition					
Budgetary Resources	1,797	0	0	0	1,797
Outlays	1,797	0	0	0	1,797
Operations & Maintenance					
Budgetary Resources	5,600	7,093	36,007	36,082	84,782
Outlays	5,600	7,093	36,007	36,082	84,782
Government FTE Costs (includes planning, acquisition, and operations & maintenance costs)					
Budgetary Resources	617	12,257	12,915	13,171	38,960
Outlays	617	12,257	12,915	13,171	38,960
TOTAL					
Budgetary Resources	\$20,803	\$50,559	\$48,922	\$49,253	\$169,537
<i>Outlays</i>	<i>20,803</i>	<i>50,559</i>	<i>48,922</i>	<i>49,253</i>	<i>169,537</i>

Summary of All Agency Contributions, Federal Asset Sales

(Costs in Thousands)

Partner Agency Name	PY07	PY07 Fee- for- Service	CY08	CY Fee- for- Service	BY09	BY Fee- for- Service
General Services Administration	1,668	0	1,668	0	1,380	0

Total cost from inception through FY 2007: \$71,362 thousand

NOTE: The Summary of Spending table includes the cost of all Sales Centers. The Summary of Contributions table reports contributions for government-wide program management.

Integrated Acquisition Environment (IAE)

The Integrated Acquisition Environment offers an alternative to agencies building and maintaining their own specialized acquisition systems, and is designed to provide the Federal acquisition community and government contractors the most efficient, competitive and transparent process possible.

In order to move towards interoperability, IAE's first phase identified the steps and data elements used in acquisition across the Federal enterprise. The results strengthened the procurement processes of all Federal agencies by leading to the establishment of consistent procedures and controls. To reduce duplication, achieve economies of scale and leverage Federal investments, IAE has also made optimal use of existing services. Consequently, agencies and vendors can make better business decisions. Ultimately, IAE will be a true Acquisition Central, a single point where Federal buyers and sellers can access information and support services.

GSA is the managing partner for IAE and the system steward for the Excluded Parties List System (EPLS), Federal Business Opportunities (FedBizOps), and the Federal Procurement Data System (FPDS). These systems allow consolidated postings of Federal procurement opportunities and recordings of Federal procurement transactions. Through these common systems, GSA is better able to track and report on purchasing activities across Federal agencies and ensure all acquisition activities conform with the Federal Acquisition Regulations (FAR).

Key benefits include:

- Improved ability to make informed and efficient purchasing decisions;
- Replacing manual processes with automated processes;
- Eliminating the need to build and maintain separate systems to record vendor and contract information, and to post procurement opportunities; and
- Allowing agency purchasing officials to access databases which house multi-agency vendor performance data.

For FY 2007, GSA received estimated benefits of \$14,614,358 based upon the processes, personnel, roles, steps, and actions involved. In addition, the agency realized an estimated cost avoidance of \$556,098 and estimated operational cost savings of \$3,033,707.

U.S. General Services Administration
E-Government Benefits

Summary of Spending, Integrated Acquisition Environment

(Costs in Thousands)

	PY-1 and Earlier	PY 2007	CY 2008	BY 2009	Total
Planning					
Budgetary Resources	3,135	1,951	8,116	1,830	15,033
Outlays	23,771	2,153	9,624	1,977	37,526
Acquisition					
Budgetary Resources	1,622	0	0	0	1,622
Outlays	10,832	0	0	0	10,832
Operations & Maintenance					
Budgetary Resources	193,970	32,354	32,961	41,508	300,794
Outlays	60,821	35,703	39,085	44,831	180,440
Government FTE Costs (includes planning, acquisition, and operations & maintenance costs)					
Budgetary Resources	5,332	5,402	5,797	6,088	22,618
Outlays	5,332	5,402	5,797	6,088	22,618
TOTAL					
Budgetary Resources	\$204,059	\$39,708	\$46,873	\$49,427	\$340,067
Outlays	100,755	43,259	54,506	52,896	251,416

Summary of All Agency Contributions, Integrated Acquisition Environment
(Costs in Thousands)

Partner Agency Name	PY07	PY07 Fee- for- Service	CY08	CY Fee- for- Service	BY09	BY Fee- for- Service
Agriculture, Department of	446	0	1,183	0	928	404
Commerce, Department of	174	0	391	0	236	204
Defense, Department of	24,339	0	25,050	0	5,136	20,705
Education, Department of	81	0	250	0	228	68
Energy, Department of	2,302	0	2,494	0	236	2,119
Environmental Protection Agency	120	0	218	0	111	151
General Services Administration	4,586	0	3,549	0	1,426	1,736
Health and Human Services, Department of	1,332	0	1,701	0	404	1,830
Homeland Security, Department of	1,018	0	1,923	0	236	2,271
Housing and Urban Development, Department	47	0	339	0	353	52
Interior, Department of	470	0	670	0	236	445
International Assistance Programs	86	0	274	0	236	79
Justice, Department of	443	0	523	0	111	366
Labor, Department of	176	0	255	0	111	169
National Aeronautics and Space Administration	1,443	0	1,356	0	111	1,274
National Archives and Records Administration		0	13	0	16	0
National Science Foundation	4	0	103	0	111	19
Nuclear Regulatory Commission	5	0	5	0	0	6
Office of Personnel Management	25	0	12	0	0	18
Small Business Administration	122	0	3,328	0	4,019	4
Social Security Administration	41	0	57	0	16	40
State, Department of	442	0	600	0	28	516
Transportation, Department of	170	0	428	0	353	150
Treasury, Department of	431	0	469	0	141	368
Veterans Affairs, Department of	1,405	0	1,683	0	0	1,650
Total	39,708	0	46,875	0	14,783	34,643

Total cost from inception through FY 2007: \$243,767 thousand

USA Services

USA Services (USAS) provides one-stop shopping to make the government more citizen-centric and to provide government-wide leadership in helping agencies improve the level of service they provide to the public. Direct services to citizens include: the official Federal Government portal, USA.gov and GobiernoUSA.gov; the National Contact Center's 1 (800) FED INFO; and the publication distribution center at Pueblo, Colorado. Government-wide leadership programs of USAS help agencies improve their responsiveness and raise the level of service they provide to their constituents. These programs include:

- Providing agencies with fast, efficient, and economical contract vehicles for multi-channel contact center services (FirstContact and USA Contact) and web hosting solutions;
- Continuing to conduct citizen research and focus groups to determine changes or new trends in expectations and preferred methods of communication with government;
- Managing an online resource center (www.USAServices.gov) which serves as a central location for all available information, best practices, tools, and other resources for creating, improving and measuring government citizen services activities;
- Conducting research and studies on topics like best practices in customer satisfaction measurement that government agencies can use to better understand how to improve the quality of services they provide to citizens; and
- Providing communities of interest, training, and knowledge sharing for government employees that promote improvements in citizen services through activities like: Web Manager University, Partner/Advocate Meetings, and the Intergovernmental Solutions office collaboration and communication efforts.

Key benefits include:

- Providing direct services to citizens through easily accessible channels that deliver accurate, consistent, and timely government information such as FirstContact, Tier 1, Misdirects, and Frequently Asked Question (FAQ) on USA.gov and 1-800 FED-INFO;
- Providing an on-line resource center for information sharing among Federal agencies via www.USAServices.gov and www.webcontent.gov which serves as a central location for all available information, best practices, tools, training, and other resources for creating, improving and measuring government citizen services activities; and
- Providing assistance and software tools to Federal agencies for estimating and analyzing the costs of creating and operating effective, efficient citizen contact centers and related citizen service activities (see <http://www.usaservices.gov/calculator.htm>)

USA Services has been a valuable resource to Federal agencies in times of crisis or unexpected events. Most recently as a means to help answer inquiries for the State Department regarding the issuance of passports and provide valuable information to veterans after a data breach.

Summary of Spending, USA Services
(Costs in Thousands)

	PY-1 and Earlier	PY 2007	CY 2008	BY 2009	Total
Planning					
Budgetary Resources	0	0	0	0	0
Outlays	0	0	0	0	0
Acquisition					
Budgetary Resources	0	0	0	0	0
Outlays	0	0	0	0	0
Operations & Maintenance					
Budgetary Resources	20,179	13,579	9,279	9,655	52,691
Outlays	20,179	13,579	9,279	9,655	52,691
Government FTE Costs (includes planning, acquisition, and operations & maintenance costs)					
Budgetary Resources	3,056	1,811	1,894	1,945	8,706
Outlays	3,056	1,811	1,894	1,945	8,706
TOTAL					
Budgetary Resources	\$23,235	\$15,390	\$11,173	\$11,600	\$61,397
<i>Outlays</i>	<i>23,235</i>	<i>15,390</i>	<i>11,173</i>	<i>11,600</i>	<i>61,397</i>

Summary of All Agency Contributions, USA Services
(Costs in Thousands)

Partner Agency Name	PY07	PY07 Fee- for- Service	CY08	CY Fee- for- Service	BY09	BY Fee- for- Service
Federal Trade Commission	0	15	0	20	0	17
Health and Human Services, Department of	0	2,682	0	2,775	0	3,000
General Services Administration	7,219	0	7,876	0	8,075	0
Interior, Department of	0	113	0	110	0	123
Labor, Department of	0	49	0	45	0	55
Small Business Administration	0	27	0	25	0	30
State, Department of	0	5,285	0	322	0	300
Total	7,219	8,171	7,876	3,297	8,075	3,525

Total cost from inception through FY 2007: \$38,625 thousand

IT Infrastructure Line of Business (ITILoB)

The IT Infrastructure Line of Business (ITILoB) establishes a common approach and reusable components to improve service levels and cost efficiency in commodity IT Infrastructure across government. The ITILoB uses industry performance and cost efficiency benchmarks and best practices to improve efficiency and effectiveness of government-wide acquisition and management of end user support, mainframes and servers, and telecommunications equipment and services.

The ITILoB will refine the opportunities for IT infrastructure consolidation and optimization, and develop government-wide common solutions. The two major objectives of the LoB are to 1) increase cost efficiency for commodity IT infrastructure and 2) improve IT infrastructure service levels. This LoB will define specific common performance measures for service levels and costs, identify best practices, and develop guidance for transition plans within and across Federal agencies. Consolidation and optimization of IT infrastructure represents a significant opportunity to realize future cost savings by taking a more coordinated approach to spending on IT infrastructure.

Key benefits include:

- Cost savings from aggregating hardware, software and service centers (e.g. server consolidations, rationalize help desks, data centers; consolidating services through use of shared service providers; and aggregating purchase agreements for IT commodity hardware, software and services.
- Improved services from standardizing business processes and adopting best practices government-wide.

By the end of FY 2008, baselines and targets will have been established for the three infrastructure areas. In FY 2009, the focus will be on applying the lessons learned in FY 2008 in the institutionalization of a more mature and rigorous performance management approach that will yield more accurate information and substantiation of performance gains and cost savings.

As the optimization plans developed in FY 2008 are implemented in FY 2009, the evolution of this IT infrastructure optimization program into institutionalized IT Management best practices implemented at every agency is also expected to lead to other benefits such as greater efficiency in infrastructure investments, labor savings, greater efficiency and buying power through aggregated services and hardware purchases, greater consistency and standardization of infrastructure platforms, and improved technology infusion.

Summary of Spending, ITILoB

(Costs in Thousands)

	PY-1 and Earlier	PY 2007	CY 2008	BY 2009	Total
Planning					
Budgetary Resources	0	0	0	0	0
Outlays	0	0	0	0	0
Acquisition					
Budgetary Resources	0	0	0	0	0
Outlays	0	0	0	0	0
Operations & Maintenance					
Budgetary Resources	0	1,980	5,395	3,424	10,799
Outlays	0	1,500	0	0	1,500
Government FTE Costs (includes planning, acquisition, and operations & maintenance costs)					
Budgetary Resources	0	0	585	576	1,161
Outlays	0	0	585	576	1,161
TOTAL					
Budgetary Resources	\$0	\$1,980	\$5,980	\$4,000	\$11,960
<i>Outlays</i>	<i>0</i>	<i>1,500</i>	<i>0</i>	<i>0</i>	<i>1,500</i>

Summary of All Agency Contributions, ITILoB

(Costs in Thousands)

Partner Agency Name	PY07	PY07 Fee-for-Service	CY08	CY Fee-for-Service	BY09	BY Fee-for-Service
Agriculture, Department of	160	0	160	0	0	0
Commerce, Department of	20	0	20	0	0	0
Defense, Department of	480	0	480	0	0	0
Education, Department of	20	0	20	0	0	0
Energy, Department of	160	0	160	0	0	0
Environmental Protection Agency	20	0	20	0	0	0
General Services Administration	20	0	4,020	0	4,000	0
Health and Human Services, Department of	80	0	80	0	0	0
Homeland Security, Department of	160	0	160	0	0	0
Housing and Urban Development, Department of	20	0	20	0	0	0
Interior, Department of	80	0	80	0	0	0
International Assistance Programs	20	0	20	0	0	0
Justice, Department of	160	0	160	0	0	0
Labor, Department of	20	0	20	0	0	0
National Aeronautics and Space Administration	80	0	80	0	0	0
National Science Foundation	20	0	20	0	0	0
Office of Personnel Management	20	0	20	0	0	0
Small Business Administration	20	0	20	0	0	0
Social Security Administration	80	0	80	0	0	0
State, Department of	80	0	80	0	0	0
Transportation, Department of	20	0	20	0	0	0
Treasury, Department of	160	0	160	0	0	0
Veterans Affairs, Department of	80	0	80	0	0	0
Total	1,980	0	5,980	0	4,000	0

Total cost from inception through FY 2007: \$1,980 thousand

Financial Management Line of Business (FMLoB)

The Financial Management Line of Business is a long term project to improve the cost, quality, and performance of financial management systems by leveraging shared services solutions and implementing other Government-wide reforms that foster efficiencies in Federal financial operations. The FMLoB concept is built on the premise that all agencies will use common systems and standard financial business processes. These standards for system and process solutions must achieve more than a consensus; they must enable more efficient and effective Federal financial operations. An emphasis is being placed on greater standardization, transparency and business process improvements as opposed to pure technology improvements.

Current Administration policy requires all Federal agencies to conduct a competition when it is time to modernize their financial system among Federal and Commercial Shared Services Providers (SSPs).

Key benefits include:

- Improved financial reporting and accountability from standardized, government-wide financial codes and categorizations of financial transactions; reduced process and data variability that will achieve cost savings, cost avoidance and improved timeliness through standardized business processes; and improved, consistent and reliable financial data that can be shared across agency business systems.
- Increased efficiency of financial transactions through reengineered and stream-lined business processes.
- Leveraging IT and financial processing expertise to provide services to multiple agencies, boards, and commissions
- Increased economies of scale associated with Federal financial system operations and enhancing leverage with financial management software vendors
- Mitigation of risks associated with financial system implementation by providing a uniform starting point for configuration.

As the FMLoB increases standardization in the financial community, there will be more effective resource utilization in financial operations across the Federal government. Agencies will be able to improve their financial management decision making and program performance. Better decisions will lower risk, cost, and improve stewardship and accountability across the Federal government.

Summary of Spending, FMLoB
(Costs in Thousands)

	PY-1 and Earlier	PY 2007	CY 2008	BY 2009	Total
Planning					
Budgetary Resources	41,609	1,245	4,000	10,000	56,854
Outlays	0	0	0	0	0
Acquisition					
Budgetary Resources	58,706	13,201	23,956	21,914	117,777
Outlays	0	0	0	0	0
Operations & Maintenance					
Budgetary Resources	187,199	63,198	62,011	65,167	377,576
Outlays	0	0	0	0	0
Government FTE Costs (includes planning, acquisition, and operations & maintenance costs)					
Budgetary Resources	59,138	26,686	19,164	19,868	124,856
Outlays	59,138	26,686	19,164	19,868	124,856
TOTAL					
Budgetary Resources	\$346,652	\$104,330	\$109,131	\$116,949	\$677,063
<i>Outlays</i>	<i>59,138</i>	<i>26,686</i>	<i>19,164</i>	<i>19,868</i>	<i>124,856</i>

U.S. General Services Administration
E-Government Benefits

Summary of All Agency Contributions, FMLoB

(Costs in Thousands)

Partner Agency Name	PY07	PY07 Fee for- Service	CY	CY Fee- for- Service	BY	BY Fee- for- Service
Commerce, Department of	83	0	143	0	143	0
Defense, Department of	83	0	143	0	143	0
Education, Department of	83	0	143	0	143	0
Energy, Department of	83	0	75	0	75	0
Environmental Protection Agency	83	0	44	0	44	0
General Services Administration	83	0	44	0	44	0
Health and Human Services, Department of	83	0	143	0	143	0
Homeland Security, Department of	83	0	143	0	143	0
Housing and Urban Development, Department of	83	0	143	0	143	0
Interior, Department of	83	0	75	0	75	0
International Assistance Programs	83	0	44	0	44	0
Justice, Department of	83	0	75	0	75	0
Labor, Department of	83	0	75	0	75	0
National Aeronautics and Space Administration	83	0	75	0	75	0
National Science Foundation	83	0	44	0	44	0
Nuclear Regulatory Commission	0	0	0	0	0	0
Office of Personnel Management	83	0	44	0	44	0
Small Business Administration	83	0	44	0	44	0
Social Security Administration	83	0	44	0	44	0
State, Department of	83	0	75	0	75	0
Transportation, Department of	83	0	143	0	143	0
Treasury, Department of	83	0	75	0	75	0
Veterans Affairs, Department of	83	0	143	0	143	0
Agriculture, Department of	83	0	75	0	75	0
Total	1,916	0	2,052	0	2,053	0

Total cost from inception through FY 2007: \$450,982 thousand

NOTE: The Summary of Spending table includes the cost of all Federal Shared Service Providers. The Summary of Contributions table reports the amount being contributed to government-wide program management.

GSA as Participating Partner

GSA is a **Participating Partner** in eight E-Gov initiatives: (1) E-Rulemaking; (2) E-Training; (3) Recruitment One-Stop; (4) Human Resources Management Line of Business (HR LoB); (5) Business Gateway Initiative; (6) Enterprise Human Resources Integration; (7) Geospatial Line of Business; and (8) Budget Formulation and Execution Line of Business (BFE LoB). Additional information on the funding of these initiatives is provided on page EB-24.

Summary of Contributions, GSA as Participating Partner (Dollars in Thousands)

FY 2008								
Source of Funding	E-Rulemaking	E-Training	Recruitment One-Stop	Human Resources Management	Business Gateway	Enterprise Human Resources	Geospatial LoB	Budget Formulation & Execution
Working Capital Fund	\$ 241	\$ 410	\$ 75	\$ 65		\$ 1,728		\$ 85
Operating Expenses					\$ 438			
Federal Buildings Fund (FBF)							\$ 36	
TOTAL GSA Funding	\$ 241	\$ 410	\$ 75	\$ 65	\$ 438	\$ 1,728	\$ 36	\$ 85
TOTAL GSA AS PARTICIPATING PARTNER:								\$ 3,079

FY 2009								
Source of Funding	E-Rulemaking	E-Training	Recruitment One-Stop	Human Resources Management	Business Gateway	Enterprise Human Resources	Geospatial LoB	Budget Formulation & Execution
Working Capital Fund	\$ 122	\$ 410	\$ 78	\$ 65		\$ 285		\$ 95
Operating Expenses					\$ 73			
Federal Buildings Fund (FBF)							\$ 35	
TOTAL GSA Funding	\$ 122	\$ 410	\$ 78	\$ 65	\$ 73	\$ 285	\$ 35	\$ 95
TOTAL GSA AS PARTICIPATING PARTNER:								\$ 1,163

E-Rulemaking

E-Rulemaking promotes collaborative efforts among Government agencies for the purpose of providing the public a common, automated repository of Federal government policy and regulatory-related documentation at the *Regulations.gov* website. Dockets or rule-related materials are consolidated and centrally managed in a web-based environment, providing the public with one location for accessing public documents, and the opportunity to comment on these documents. Under the authority of Section 206 of the E-Government Act of 2002, this electronic docket management system is a key component of the Act's implementation plan.

Increased usage of the system is demonstrated by official data results retrieved in July from the eRulemaking portal, which indicate that 45 percent of government personnel access the system

daily. 6 percent of public users access the system at least once a month; and 2 percent of public users access the system more than once a day (ForSee Results, 2007). The data trends also indicate that since implementation in September, 2005, there have been 117.3 million hits and 108,700 comments submitted to the *Regulations.gov* website (Major Public Benefits, 2007).

GSA benefits from its participation in this effort by way of cost savings and reduction of duplicative efforts. Partner agencies are no longer operating individual online storage, retrieval, and public comment repositories; systems are now centralized. Increasing maintenance procedures will enhance operations in the near future by providing even more sophisticated and user-friendly tools for public use (e.g., search functionality and batch data retrieval).

E-Training

GSA has fully implemented On-Line University (OLU) as its e-training provider. OLU supports the development of GSA's workforce and enhances GSA's ability to attract, retain, and motivate its employees. Through OLU, employees have easy access to a robust, user friendly desktop learning medium that helps continuously educate and prepare them for current and future work. Over 1,200 courses covering a wide array of topics are available to employees through OLU.

Recruitment One-Stop

GSA uses the Office of Personnel Management's USAJobs portal as the public link to advertise vacancies at GSA. Use of this portal has simplified the process of locating and applying for Federal jobs. USAJobs delivers many benefits to potential job seekers including: improved job searching, clean, concise, understandable and appealing job announcements; a "create once" basic job resume that can be used to apply to multiple vacancies; a resume mining feature that allows fast, cost efficient candidate sourcing for Federal managers and human resources specialists; and on-line real-time application status tracking. In addition, GSA's portal to the OPM site GSAJobs provides human resource professionals with the ability to quickly rate and rank jobs, and supports GSA's ability to meet the OPM time-to-fill vacancies performance measure of 45 days.

Human Resources Management Line of Business (HR LoB)

The Human Resources Management Line of Business (HR LoB) initiative supports agencies achieving economies of scale through a shared service provider concept. Through the use of a private shared service provider, GSA will realize the benefits of "best-in-class" HR solutions for itself and its customers. Use of a shared service provider enables GSA to offer these services without the cost of developing and maintaining its own HR systems. In addition, use of a shared service provider affords employees and customers the opportunity to receive state-of-the-art, timely HR services from GSA. As the schedule provider and broker for HR LoB services, GSA is helping to shape a government-wide solution as well as benefit from best practices and lessons learned as developed by the government-wide task force.

Business Gateway Initiative

By creating a single portal for business information, such as regulatory compliance information, Business Gateway directly benefits GSA's "customers" (e.g., office supply companies, government contractors, etc.), all of whom are subject to complex regulatory requirements across multiple agencies.

GSA's constituents could potentially receive significant benefits from Business Gateway including time and cost savings, assistance in compliance with Small Business Paperwork Reduction Act (SBPRA), and reduction in burden hours. Through increased outreach, more constituents will be able to realize these benefits.

GSA will receive:

- **Contact center savings:** Savings are expected by the reduction of misdirected calls handled by GSA due to the use of Business.gov and Forms.gov
- **Maintenance savings:** Business.gov's search technology will provide GSA with valuable user statistics and feedback, enabling it to simplify content management on its business compliance site
- **Increased forms management:** By making 133 forms (to date) available on Forms.gov, GSA saves agency time in forms management, and is expected to produce significant savings in paper and postage
- **Increased exposure:** Business.gov now houses 650 compliance GSA links (to date) providing cross-agency effectiveness to American businesses
- **Reduced burden on field offices:** By directing compliance-related inquiries to Business.gov, agencies with field offices will save training and staff-time dollars

Furthermore, GSA has been a key partner to Business Gateway by assisting in the management of Forms.gov and the Forms Catalog. Business Gateway's online forms are instrumental in reducing burden and helping businesses find and submit forms. The Forms Catalog also helps GSA coordinate and manage government forms internally across the government. The Forms Catalog currently receives 47,250 unique visitors per month, contains information on 6,092 unique forms, and engages 54 agencies to actively populate the Forms Catalog.

Enterprise Human Resources Integration

GSA submits the required Enterprise Human Resources Integration (EHRI) data (HR, payroll and training data elements) to the Office of Personnel Management on a biweekly basis. These submissions allow OPM to have the basic HR data available on all Federal employees. The EHRI initiative also includes digitizing all employee Official Personnel Files (eOPF) and implementing their electronic access. GSA plans to implement this phase of EHRI, referred to as eOPF in FY 2008, which will give each employee access to his personnel folder online; will give HR Specialists and managers access to the needed HR data on employees to perform their functions more efficiently; and will eliminate the need for GSA to house the paper

personnel files. The eOPF initiative is a critical component of the Office of Personnel Management's Retirement System Modernization initiative designed to equip employees with the information they need to more effectively plan their retirement.

Geospatial Line of Business (GLOB)

GSA is one of the agencies partnering with the Geospatial Line of Business (GLOB) to support the coordinated approach to producing, maintaining, and using geospatial data within the Federal government. This approach will allow GSA to review and potentially leverage existing geospatial data created by the Managing Partner Agency (U.S. Department of the Interior) and LoB partner agencies, rather than initiating potentially redundant and costly business-driven geospatial analysis within the agency. Since the GLOB's inception in FY 2006, GSA has collaborated with the GLOB to help establish the foundation for the project management office to begin in FY 2008. GSA has actively participated in geospatial data collection efforts and agency response coordination as well as provided feedback on strategy and approach to establish a baseline for benchmarking and measuring geospatial costs and anticipated efficiencies.

GSA's participation and collaboration with the Geospatial LoB closely supports the agency's mission of helping "federal agencies better serve the public by offering, at best value, superior workplaces, expert solutions, acquisition services, and management policies." GSA fully supports the efforts of the GLOB and promotes a common solutions approach to Geospatial activities which is likely to facilitate additional benefits in the coming years as the LoB further establishes itself within the Federal community.

Budget Formulation and Execution Line of Business (BFE LoB)

This initiative benefits GSA because the BFE LoB plans to make at least one Government off the shelf (GOTS) budget formulation system available for purchase or use via a fee-for-service arrangement. GSA will be able to utilize the procurement guide that the BFE LoB plans to develop for use when an agency is starting procurement for a budget system. This guide will include a listing of agencies and their current budgeting systems, information on various budgeting systems that are currently available in the market place (both GOTS and COTS), and a decisional matrix that agencies can use in assessing budgeting systems. Additionally, agencies will have the ability to share lessons learned for budget formulation, execution, planning, performance measurement, and financial management information and activities across the government. In FY 2007, the BFE LoB will provide all agencies with more information about collaboration tools and technologies that can ease communications in the Federal budget environment.